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12 December 1973

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SUBJECT: CIA and Robert R. Mullen Company

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(b)(3)History of Cover Use of Robert R. Mullen Company:(b)(1)
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1. CIA first used the Robert R. Mullen Company as a cover vehicle when Mr. Mullen in [] agreed to open an office in [] and staff it with a CIA officer. When this officer was withdrawn at the end of the following year no successor was placed by CIA. Since business opportunities did not justify Mr. Mullen's maintaining this office on his own account, it was closed.

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2. [] Mr. Mullen agreed to open an office in [] and staff it with [] CIA officers who remained there until [] respectively. This office was closed upon the return of the [] officer in the []

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3. In [] Mr. Mullen agreed to open an office in [] and staff it with the officer who had returned from the [] assignment in the fall of [] When this officer was reassigned to Headquarters duty in the summer of [] the Mullen office in [] was closed.

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4. In the summer of [] the other officer who had served in [] until the spring of [] and who had worked in Mr. Mullen's Washington office for two years was sent to [] where he opened an office for the Mullen Company. When it became clear in early [] that the operational requirements in [] made the continuation of the Mullen office in [] of marginal value, CIA began to discuss with Mr. Mullen the possibility of closing that office. He began to remonstrate that the prior openings and closings of [] other overseas offices was eroding his reputation and standing in his professional field. As on prior occasions he was more than cooperative and willing to subordinate his interests to CIA's requests, however, CIA recognized the justice of his comment and decided to continue the [] office, which was not closed until the summer of []

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5. In [] Mr. Mullen agreed to re-open a [] office and to staff it with a CIA officer who had had no previous connection with the Mullen firm. In agreeing to the re-opening of the [] office, Mr. Mullen was more outspoken than before in his insistence that he could not allow this office to close after the end of a two year

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tour. After Mr. Hunt became an employee of the Mullen Company, Hunt reiterated this point with the then DDP who instructed the operating division to maintain a Mullen office in [] as an operational cover facility for []

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The Situation at the Time of the Watergate Break-in:

6. At the time of the Watergate break-in CIA had

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[] officer each under Mullen cover in []

[] The officer in [] who had been under Mullen

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cover since [] experienced no difficulties in carrying

out his cover work for Mr. Mullen and his operational assign-

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ments for CIA. He was slated for home leave in the summer

of [] to return for at least a year to [] with a

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possible reassignment to another station after one year.

Although the officer in [] had gotten off to a

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reasonably good start in establishing the Mullen office

there, this favorable development received a serious set-

back when a long forgotten incident from his graduate days

[] identified a potentially serious

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operational security problem.

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7. While a graduate student at the University of

[redacted] this officer had applied for CIA employment at the end of his academic studies. His next door dormitory neighbor was a student from [redacted] A letter showing CIA as the sender was misplaced under the door of the [redacted] student who expressed some surprise about the addressee's involvement with the spy organization when he personally delivered the letter. This incident did not surface during his security investigation, nor after his employment, nor when his assignment under [redacted] was being discussed. After having been in [redacted] for a few months our officer rounded a street corner one morning to find himself face-to-face with his former college dormitory neighbor, who greeted him with "Mr. CIA - What are you doing here?" Despite appropriate protestations on the part of our officer that he was a representative of a legitimate American firm, our officer was convinced that his former college colleague could not be shaken in his belief that our officer was indeed a CIA spy.

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8. In reporting this incident our officer drew attention to a second potential operational security liability.

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While a teaching assistant at the [redacted] a [redacted] (b)(1)
year prior to his assignment to [redacted] under Mullen (b)(3)
cover, he had been directed to explore the possibility of (b)(1)
gaining employment by the [redacted] as a cover (b)(3)
platform for an operational assignment there. In the course (b)(1)
of his explorations, he saw a senior professor in the [redacted] (b)(3)
[redacted] who showed an acute suspicion of our (b)(1)
officer's true motivation and purpose. By the time that (b)(3)
our officer was assigned under Mullen cover to [redacted] (b)(1)
the former professor had become a member of the [redacted] (b)(3)
government and was responsible, among other areas, for (b)(1)
the police and internal security. (b)(3)

9. After considerable debate among appropriate CIA (b)(1)
Headquarters components, we concluded that the above security (b)(3)
factors were not compelling reasons to terminate the [redacted] (b)(1)
[redacted] officer's assignment in face of our [redacted] commitment (b)(3)
to Mr. Mullen. However, by spring [redacted] our officer had not
been able to develop sufficient legitimate business to make (b)(1)
him feel comfortable in the role of the Mullen representative (b)(3)
in [redacted] With this as the peg, we persuaded Mr. Mullen (b)(1)
to take a trip to [redacted] to meet with the Chief of Station (b)(3)
and with our officer to assist in laying the ground work for (b)(1)
sufficient cover activities which would enhance the legitimacy (b)(3)

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of our officer. We did not wish to alarm Mr. Mullen at that time about our officer's operational security problems, hoping that the cover activities following Mr. Mullen's visit to [] would provide our officer with good enough backstopping to overcome the security flaws and continue his assignment. Mr. Mullen, traveling on his own business, left Houston on [] and after stops in Los Angeles and Honolulu visited [] from []

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[] The Watergate break-in occurred while Mr. Mullen was on his trip to [] Shortly thereafter, Mr. E. Howard Hunt became implicated and his employment by the Robert R. Mullen Company became a subject of front-page publicity.

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10. Almost simultaneously with the Watergate break-in, CIA learned that a former CIA staff officer was on the verge of publishing a book which would claim to expose the hand-and-glove activities of large American corporations and CIA in South America. The book was expected to identify firms which had accepted CIA officers under cover, as well as CIA officers under both official and nonofficial cover in South America. The writer had been the responsible

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desk officer when the Mullen office in [] was opened in [] and was fully aware of the identity of the officer who had staffed that office in [] File research also showed that he had also been in the same career trainee class as the officer under Mullen cover []

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11. The publicity on the Mullen Company because of Hunt's employment and the possible revelations by the former staff officer, required a complete re-assessment of the Mullen cover and its viability.

a. We viewed the case of our officer in []

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[] in the following light:

(1) In the mind of his former graduate school colleague, he was clearly viewed as being connected with CIA. The publicity on the Mullen Company regarding its employment of the former CIA officer Howard Hunt and the latter's involvement in the Watergate break-in under the leadership of another former CIA officer and in the company of four other people previously connected with CIA, could only lead to further confirmation by the former student from [] that our officer had a current connection with CIA.

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(2) Any denunciation of our officer as a CIA employee or representative by the former student from [] would undoubtedly have come to the attention of the Minister in charge of the Police and Internal Security Service who had been suspicious of our officer when he sought a position on the faculty of []

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(3) The staff officer's identification of the Mullen Company as a previous cover vehicle for CIA in another area would have been tantamount to authoritative confirmation that the Mullen office in [] was also serving CIA purposes. This represented a more direct threat to the cover placement than Mr. Hunt's employment by Mr. Mullen and Mr. Hunt's activities in the United States.

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(4) [] was the same man who had previously exposed a CIA operation, ^A ~~and~~ obtained ^A written apology from the Secretary of State and personal assurance from Mr. Helms that CIA would not engage in unilateral activities in [] Clearly, the Station

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required the removal of our officer from []
[] and his separation from Mullen cover. This
factor, too, was of more immediate concern and
overshadowed the Hunt aspect.

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(5) Since we had decided not to alarm Mr.
Mullen nor Mr. Bennett by enlarging upon security
flaws that to-date were only potentially damaging,
we were handicapped in soliciting their agreement
to withdraw the [] officer. In regard to
the Watergate publicity, Messrs. Mullen and
Bennett felt quite innocent since after Hunt's
employment by the White House he was paid by the
Mullen Company only when actually working for
the Company. They felt that the confidentiality
of their cooperation with CIA overseas was not
impaired unless for reasons of his own Hunt would
consider this fact as helpful to his defense
and might therefore disclose it. Any attempt on
our part to justify an immediate removal of our
officer from [] by the Watergate publicity
would have been completely unconvincing to Messrs.

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Mullen and Bennett. Even more so after Mr. Bennett had obtained Mr. Silbert's agreement not to delve into the Mullen firm's overseas activities and Mr. Silbert so restricted Mr. Bennett's interrogation before the Grand Jury.

(6) Because of operational consideration in trying to limit any damage to CIA and individuals and firms cooperating with CIA from revelations of the former staff officer, it was decided that this threat would be handled on a severely restricted basis within CIA and that it would not be discussed with CIA collaborators on the outside. The rationale for this approach was simply that CIA's chances for continued reading of his activities and intentions, ^{and} CIA's efforts to restrict the fall-out from his revelations would be in jeopardy if any more than the absolutely necessary number of inside staff officers were informed of the situation. For this reason and because the Mullen Company was the focus of potential compromise, we purposely avoided unnecessary contacts with the firm.

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(7) We withdrew our officer from [redacted] only after considerable objection from Mr. Mullen and Mr. Bennett, who were not fully persuaded by the disclosure of previous security incidents nor our estimate that serious potential harm might come to our officer and the Company from continuing publicity concerning Hunt's employment by the firm.

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b. CIA faced a different situation in regard to our officer in [redacted] By the summer of [redacted] he had been an "employee" of the Mullen firm for eight years, stationed in [redacted] and [redacted]

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[redacted] His operational activities had not given rise to any suspicion and to the outside world he appeared as what he purported to be, an employee of an [redacted] public relations firm. He was on home leave, had visited the Mullen office in Washington repeatedly and had become convinced that he and the Mullen firm would have no problem in weathering the Watergate publicity. Because he was vulnerable to disclosure by the former staff officer, he was told of the impending book but warned not to discuss the matter with Messrs. Mullen nor Bennett, under pain of disciplinary action. He

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was allowed to return to [] as previously scheduled, but alerted he would be swiftly withdrawn if his assignment became compromised by disclosures of either the former staff officer or of Mr. Hunt. This decision was reached because CIA felt that the business reputation of the Mullen firm could not withstand the simultaneous disclosing of both of its overseas officers and because we could not overcome Messrs. Mullen and Bennett's objection without surfacing the threat from the former staff officer's book; a disclosure that might hamper operations to contain damage from its publication. The long-shot risk that the publication of the former staff officer's revelations would occur at a later date than originally anticipated, turned out to be correct and allowed the continuation of the Mullen cover in [] It was terminated when the existence of this cover arrangement had to be revealed to Judge Byrne as part of other classified information relevant to the Ellsberg case and the real possibility developed that this information would have to be surfaced in open court.

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12. CIA's actions vis-a-vis Messrs. Mullen and Bennett in regard to the cover officers in [] and [] have been consistent with CIA's basic policy for using legitimate American firms for cover officers: its prime objective is to further the CIA overseas mission with due consideration for the interests and well-being of the legitimate firms that extend their cooperation. The extension of cover for CIA officers by American firms is considered a partnership in which both parties have obligations to each other. The CIA obligation is greater where unbusinesslike actions may jeopardize the standing of a small firm among colleagues and competitors. In discharging its obligation, CIA must clearly balance this requirement against operational security needs.

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13. In this case, especially during [] the Directorate of Operations was more directly concerned by considerations that seemed to overshadow the then growing Watergate developments - fair treatment of Mr. Mullen, who was being disadvantaged as a consequence of long cooperation with us; potential trouble from the [] [] who might create an international incident [] and security threats from hostile services arising from disclosures by a former staff officer.

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12 December 1973

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SUBJECT: CIA and Robert R. Mullen Company

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(b)(3)

1. CIA first used the Robert R. Mullen Company as a cover vehicle when Mr. Mullen in [] agreed to open an office in [] and staff it with a CIA officer. When this officer was withdrawn at the end of the following year no successor was placed by CIA. Since business opportunities did not justify Mr. Mullen's maintaining this office on his own account, it was closed.

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Approved for Release: 2020/08/14 C00506612

USE ONLY

CONFIDENTIAL

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Mr. Robert R. Mullen & Company

(E. Howard Hunt Letter - Mr. Helms)

FROM:

C/CCS, GH-56

EXTENSION

9164

NO.

DATE

23 July 73

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

OLC, Mr. Maury

[7D-43]

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[LLM]

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Note para. 2 (possible action)

BY HAND.

A-488

FORM 3-62

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USE PREVIOUS EDITIONS

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23 July 1973

MEMORANDUM FOR: Deputy Director for Operations

SUBJECT: Mr. Robert R. Mullen

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REFERENCE: My Memo, 17 July 73, to IG via DDO

[redacted] and Mr. Robert R. Mullen "

1. Attached hereto is a Memorandum for the Record by [redacted] of a meeting with Mr. Robert R. Mullen on 20 July 1973 during which I asked him for a copy of Mr. Helms' letter in regard to Mr. E. Howard Hunt. I would like to emphasize the following points:

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- a. Mr. Mullen's response to the request for a copy of the letter was immediate and without any reservation. His subsequent explanation why he cannot make a copy of the letter available appears to me to be the truth and not to constitute a change of mind on his part.

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- b. Mr. Mullen was not sure of the addressee of the second letter from Mr. Helms, of which Mr. Hunt also gave him a copy. Instead of having been addressed to [redacted]

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[redacted] it may very well have been a copy of a letter to [redacted] of which, I understand, a copy is in CIA's files.

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2. You may want to consider having Mr. John Warner approach Mr. Archibald Cox for a copy of Mr. Helms' letter to Mr. Mullen which, in the light of Mr. Mullen's statement, was probably drafted by Mr. Hunt.

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[redacted]
Chief, Cover & Commercial Staff

Att: A/S

cc: IG
OLC

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20 July 1973

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MEMORANDUM FOR: The Record

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SUBJECT: Letter of Recommendation Written
by Mr. Helms to Robert R. Mullen
& Company for E. Howard Hunt

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1. Mr. Robert R. Mullen of Robert R. Mullen & Company, [redacted] Chief, CCS and the undersigned, case officer for the company, met in a park near 20th & " H " Streets, Northwest, Washington, D.C. on 20 July 1973, at 9:15 AM, to discuss several matters relating to the company's past cooperation with the Agency.

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2. [redacted] recalled our meeting with Mr. Mullen on 20 April 1973 when he informed Mr. Mullen that [redacted] would be given a meaningful Agency job in [redacted] upon his return from [redacted] apologized for his inability to be present in a subsequent meeting on 4 June 1973 when the undersigned had to inform Mr. Mullen that the [redacted] assignment for [redacted] had fallen through and that [redacted] instead was to be terminated by the Agency.

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[redacted] began to explain the reasons for the change in plans and Mr. Mullen interrupted to say that he completely understood why [redacted] had to be terminated by the Agency and did not in any way hold [redacted] responsible for the termination nor did he doubt [redacted] veracity or integrity. Mr. Mullen said that [redacted] had naturally been disturbed and unhappy because of the termination, but Mr. Mullen had reminded him that he had certain gains from his Agency assignment, and particularly mentioned that [redacted] might still be in [redacted] working at some unexciting job except for his Agency employment.

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3. Mr. Mullen then reported that he has postponed his vacation because of a new business opportunity involving the sale of freight cars worth \$135 million to the Yugoslav government. Mullen and Company's commission on this deal if it is consummated will be about \$400,000. Mr. Mullen said that he had yesterday received a telephone call from an official of the Pullman Company, which is to supply the freight cars, reporting that Mr. Stankovitz (phonetic) of the Yugoslav Embassy had contacted the Pullman Company. Mr. Stankovitz had told the Pullman Company official that he had heard rumors that Mullen and Company is involved with the CIA and that the whole deal would be off if this proved true. Mr. Mullen wondered whether there might be some leak within the Agency, but agreed with our comment that the Yugoslavs had probably read about Mullen's alleged association with the Agency in TIME Magazine because of Mullen and Company's employment of E. Howard Hunt.

4. [] at this point mentioned the letter written by Mr. Helms on behalf of Mr. Hunt to Mullen and Company. Mr. Mullen said that Mr. Hunt, in addition to giving Mr. Mullen the above letter of recommendation, had also exhibited a copy of a letter of recommendation by Mr. Helms to -- Mr. Mullen thought -- []

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5. Mr. Mullen readily agreed to make a copy of Mr. Helms' letter of recommendation available to the Agency. A letter was not written by Mr. Helms following Mr. Hunt's employment by Mullen and Company. Mr. Mullen recalled that at a function at the Kennedy Center he had seen Mr. Helms. They were not able to converse, but Mr. Helms had winked and given a hand signal to Mr. Mullen which Mr. Mullen interpreted as an approbation of Mullen and Company's hiring of Mr. Hunt. Mr. Mullen explained that his hiring of Mr. Hunt had been a rather natural one as Mr. Mullen knew both Howard and Dorothy Hunt in Paris from about 1948 to 1950 when Mr. Hunt and Mr. Mullen were employed by the Marshall Plan, and Dorothy Hunt was employed by Mr. Averell Harriman, then in Paris. When [] then with the Retirement Affairs Branch, requested Mr. Mullen's assistance in securing employment for Mr. Hunt, Mr. Mullen had arranged several interviews for Mr. Hunt. Mr. Mullen subsequently decided to have Mullen and Company hire Mr. Hunt because of his excellent writing abilities, and he had proved a splendid addition to the staff prior to the Watergate incident.

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6. Mr. Mullen advised the undersigned telephonically at 11:45 AM on 20 July 1973 that when he attempted to get Mr. Helms' letter of recommendation concerning Mr. Hunt, he had been reminded by his secretary that the entire Mullen & Company file concerning Mr. Hunt had been given to the U.S. Attorney's office by Mr. Robert Bennett of Mullen & Company during the investigation of the Watergate incident during the Summer and Fall of 1972. Mullen & Company had not kept any copies of material in its Howard Hunt file and, consequently, no copy of Mr. Helms' letter is available through Mullen & Company.

DC/CCS/CCB

Orig:
DDO
IG
OLC —
1088 (Hunt)

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Approved for Release: 2020/08/14 C00297384
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CONFIDENTIAL



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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

C/CCS/CCB

EXTENSION

NO.

DATE

3 June 1978

TO: (Officer designation, room number, and building)

GH 56

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

OS/SSD
4 E 27

2.

Bill Milligan/SRS

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10.

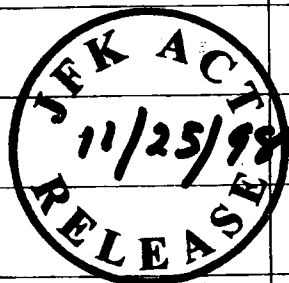
11.

12.

13.

14.

15.

*Mr. Mahoney**For the file on E.
HOWARD HUNT.**SRS - Lou Varady
advised that CCS's
request should be made
known to C/DD/P.**Mr. Lushorskie was
advised that security would
not grant the requested
clearance unless C/DDP
was personally apprized
of their interest & written
concurrence was obtained.*CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL 1998FORM
3-62

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EDITIONS

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CS-2925
3 June 1970
Mr. Lukoskie

MEMORANDUM FOR: Office of Security
ATTENTION : Mr. Frank Mahoney
SUBJECT : Request for CSA concerning E. Howard Hunt

1. E. Howard Hunt, who retired from CIA effective 30 April 1970, is now an employee of the Robert R. Mullen & Company in Washington, D.C. and it will be necessary to make him witting of our relationship with the company.

2. This will verify the conversation between Messrs. Mahoney and Lukoskie on 28 May 1970 in which a CSA under project QKENCHANT was requested concerning Mr. Hunt.

Robert D. Gahagen
Chief,
Central Cover Staff
Corporate Cover Branch

CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL 1998

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GROUP 1
Excluded from automatic
downgrading and
declassification

~~SECRET~~

1 March 1973

MEMORANDUM FOR: Deputy Director for Plans

SUBJECT : Current Time Magazine Investigation of
Robert R. Mullen & Company Connection
with the Watergate Incident

1. Mr. Robert R. Mullen, president of Robert R. Mullen & Company, telephoned CCS on the morning of 28 February to advise us that Sandy Smith, a reporter from Time Magazine, was in the Mullen office late on 27 February. Smith started off by saying that "a source in the Justice Department" had informed him that the company "is a front for CIA." Mr. Mullen denied the allegation stoutly, said the company clients are all legitimate and offered to let Smith inspect the company books. Mr. Mullen said that his intuition was that Smith was on a fishing expedition and really had nothing to substantiate his suspicions.

2. Smith had many questions concerning Howard Hunt, such as how he secured Mullen employment and his salary. Mullen told him the company paid him a salary initially and later on a consultant basis when Hunt began to work for The Committee to Re-elect The President. Smith wondered about Hunt's source of income as there is no record in above Committee's records of payments to Hunt. Mullen informed Smith that one source of Hunt's income was a government pension which, according to Hunt, was sizeable.

3. Mullen told Smith that Bob Bennett, partner of Mr. Mullen who was on a business trip to California, really knew most about Hunt's later period of Mullen employment. Mullen could not show Smith records concerning Hunt as they are in possession of the U. S. attorney.

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4. Bob Mullen again telephoned CCS at 1650 hours on 28 February 1973 as a follow up to his morning call, as reported above.

5. Sandy Smith, the Time reporter, was in again in the late afternoon and told Mr. Mullen that he had just seen, through an FBI contact, a paper allegedly personally delivered by a high official of CIA to Mr. Pat Gray, Acting Director of the FBI, during the height of the Watergate flap and investigation of Howard Hunt last summer.

6. It was evident that Smith at least knew of the existence of such a document, but Mr. Mullen could only guess that Smith had not seen it long enough to digest it, or it said so little that Smith is trying to develop more information.

7. Mr. Mullen continued to deny being associated with the Agency in any way except for the Cuban Freedom Committee, which connection had been admitted by Bob Bennett in June to the news media and U. S. attorney. Smith told Mullen, whom he has known for years because of some association in New York, that he is now in his "corner," but would be most unhappy if he ascertains that Mullen is not leveling with him. Mullen does not trust Smith and is certain Smith will write up whatever he develops. Presumably Time would publish the article.

8. Mullen would like to know what exactly we gave the FBI so that he can tell Smith what he already seemingly knows from our memorandum to the FBI, or at least know how to best cope with Smith. Mr. Mullen requested that our reply be given him during the evening of 28 February.

9. Attached is a copy of the 21 June 1972 Memorandum for the Acting Director of the FBI from the Office of Security concerning Robert R. Mullen Company. Possession of the contents of this memorandum by Mr. Smith could be very damaging to the Agency and the company. The last sentence of Para. 4 states "Mr. Hunt was aware of the two present cover placements under Robert R. Mullen and Company." Paragraph 5 relates that eight Mullen company employees have been witting of the company's ties with the Agency. Paragraph 7 states "In view of the extreme sensitivity of this information concerning the current use of Robert R. Mullen Company, it is requested that this report be tightly controlled and not be disseminated outside your Bureau."

~~SECRET~~
(When Filled In)

CONTACT REPORT		FILE NUMBER:	DATE:
			11 July 1972 (b)(1) (b)(3)
ORGANIZATION (Name & full address)			
Robert R. Mullen and Company Washington, D. C.			
NAME OF CONTACT		TITLE	DATE OF CONTACT
Robert F. Bennett		President	10 July 1972
CONTACTED BY:			
CCS/CCB		(b)(1) (b)(3)	
PURPOSE OF CONTACT			
Appearance of Robert R. Mullen & Company Executive, Robert F. Bennett, before the Grand Jury.			
ACTION REQUIRED			
SUMMARY OF RESULTS:			
<p>1. Mr. Robert F. Bennett, president of Robert R. Mullen and Company, met with [redacted] of CCS/CCB at noon on 10 July 1972, (b)(1) at Mr. Bennett's request. Mr. Bennett said that he wished to bring (b)(3) the Agency up to date on developments concerning E. Howard Hunt and the "Watergate Five."</p> <p>2. Mr. Bennett related that prior to his appearance at the Grand Jury proceedings last week he had received a subpoena for the company records because of the employment of E. Howard Hunt by the company and Mr. Hunt's involvement in the "Watergate Five" affair. Mr. Bennett said that he brought with him to a private meeting before the hearing only records relating directly to Mr. Hunt and that he had informed the U. S. Attorney, Mr. Siebert (phonetic), that a van would be required to bring all records of the company relating to matters in which Mr. Hunt had become involved. Mr. Bennett advised the U. S. Attorney that he was willing to bring in all the records if desired or specific additional ones if requested. The U. S. Attorney was satisfied with the records brought in by Mr. Bennett.</p> <p>3. Mr. ^{SIEBERT} Siebert then asked Mr. Bennett whether newspaper reports that the company was involved with CIA were true. Mr. Bennett responded that he had not seen any such stories. At this point another member of the U. S. Attorney's staff suggested to Mr. Siebert that he had confused the newspaper items with information he had read in FBI reports. Mr. Siebert conceded that this was probably true.</p>			
WARNING NOTICE SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED		EXEMPT FROM GENERAL DECLASSIFICATION OF E. O. 11652, EXECUTIVE ORDER S. 1000 (1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33) (34) (35) (36) (37) (38) (39) (40) (41) (42) (43) (44) (45) (46) (47) (48) (49) (50) (51) (52) (53) (54) (55) (56) (57) (58) (59) (60) (61) (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100)	
DISTRIBUTION		CLASSIFIED BY: <u>Sigman</u> CONTINUE ON SEPARATE SHEETS AS NECESSARY	

SECRET

4. Mr. Bennett said that inasmuch as it was obvious from the FBI reports that the U. S. Attorney was aware that there is a current relationship between the company and CIA, he had therefore stated that the current Agency relationship has absolutely no connection with the "Watergate Five" incident. During the approximate one-hour meeting with the U. S. Attorney, they agreed upon the questions which were to be asked and Mr. Bennett's responses. The especially pertinent question related to the Mullen Company's activities with the Agency upon mutual agreement was phrased "Is your company working with the CIA in this Country?" Mr. Bennett said that any question involving overseas association would have required him to respond in the affirmative. By arrangement with Mr. Siebert, this question was not asked. The Grand Jury questioning of Mr. Bennett did reveal that the Mullen Company had done some work for Radio Free Cuba in the 60's, but this was not considered unusual in view of the political climate at the time. Mr. Bennett said that he had been commended by Mr. Siebert for his forthright responses and behavior during the hearing.

5. Concerning the appearance of Douglas Caddy before the Grand Jury, Mr. Bennett said that if Caddy had stopped his recitation when he said he had no knowledge of the association between CIA and the Mullen Company there would not have been repercussions caused by his unnecessary additional comment that he had intimations that the company did work for CIA. It then became necessary for Mr. Caddy to say he was unable to discuss the "intimations."

6. Mr. Bennett believes that there is now no danger to the two cover arrangements presently in being unless Mr. Hunt "spills his guts." He suggested that Hunt might take one or two courses. He could either take the Fifth Amendment and take his lumps, including possible imprisonment or because he is somewhat of an egotist, he could just go on and become a nationally and internationally famous person. Apart from his concern over the nature of Mr. Hunt's possible revelations, Mr. Bennett was thoroughly relaxed and prepared to continue the present cover arrangement.

7. Mr. Bennett plans to be at the Democratic Convention in Miami from Monday night through Friday, 14 July. He expects that Mr. Mullen will return from his trip to the Far East on the afternoon or evening of Tuesday, 11 July.

☐ UNCLASSIFIED☐ INTERNAL USE ONLY☐ CONFIDENTIAL☐ SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Chief, Central Cover Staff

EXTENSION

NO.

DATE

1 March 1973

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

Deputy Director for
Plans 3-C-2016

2.

3.

4.

File [REDACTED]

5.

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10.

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12.

13.

14.

15.

(b)(1)
(b)(3)

SECRET

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(b)(3)

(b)(1)
(b)(3)

10. [redacted] C/CCS and the CCS case officer for the Mullen Company, [redacted] discussed the above with Mr. William E. Colby and Mr. Cord Meyer, Jr. at approximately 1800 hours on 28 February. It was agreed that Mr. Colby would recommend to the DCI, Mr. Schlesinger, that Messrs. Mullen and Bennett be allowed to read the 21 June 1972 memorandum to the FBI and that they be asked to continue to deny any allegation of association with the Agency, and state in effect that there was no relationship, and if there were, it, of course, would not be admitted. Mr. Schlesinger did endorse the proposed course of action.

(b)(1)
(b)(3)(b)(1)
(b)(3)

11. Messrs. [redacted] of CCS met with Messrs. Ralph Hatry and Charles Beckman of NOCAD at 0840 hours on 1 March to inform them of developments which endanger [redacted], who is under cover of the company in [redacted]. It was decided that [redacted] would further discuss with Mr. Mullen and Mr. Bennett, who had returned to his office, the Smith visits, allow them to read the 21 June memorandum to the FBI and propose the immediate return of [redacted] to the United States and termination of the cover arrangement, the last with the company as the cover was terminated in August 1972.

(b)(1)
(b)(3)

(b)(1)

12. Mr. [redacted] and Mr. Mullen met near the Watergate and proceeded to Mr. Mullen's apartment in The Watergate through a rear entrance to The Watergate. Mr. Bennett joined them shortly and both read the memorandum. It developed that Mr. Bennett had been present during the second meeting with Mr. Smith. Messrs. Bennett and Mullen both were of the opinion that Smith had not seen the memorandum. They suggested that he had only heard of its existence or had seen an FBI report which summarized the memorandum and said only that the company had provided cover for the Agency. They felt that if he had seen the memorandum, he would not have re-visited them or would have accused them on the rather specific information contained in the memorandum. They said they would continue to deny any association with the Agency other than the already acknowledged relationship with the Cuban Freedom Committee.

(b)(3)

(b)(1)
(b)(3)

13. They related that they told Smith he was beating a dead horse and that the Washington Star, Washington Post and Los Angeles Times had already investigated and concluded that the Mullen Company was not involved in the Watergate affair or

the allegation that the CIA had instigated the Watergate Affair. It was an intriguing theory which just died. Mr. Bennett said that he recently spent four hours in Los Angeles being interviewed by a Newsweek reporter and had convinced him that the Mullen Company was not involved with the Watergate Affair. Mr. Bennett rather proudly related that he is responsible for the article "Whispers about Colson" in the 5 March issue of Newsweek. Mr. Bennett does not believe the company will be bothered much more by the news media which is concluding that "the company is clean and has gotten a bum rap while the real culprits are getting scot free." Mr. Bennett said also that he has been feeding stories to Bob Woodward of the Washington Post with the understanding that there be no attribution to Bennett. Woodward is suitably grateful for the fine stories and by-lines which he gets and protects Bennett (and the Mullen Company). Typical is the article "Hunt Tried to Recruit Agent to Probe Senator Kennedy's Life" on page A16 of the Saturday, February 10, 1973, Washington Post. Mr. Bennett mentioned the 12 February 1973 meeting among himself, Mullen and [redacted] when he stated his opinion that the Ervin Committee investigating the Watergate incident would not involve the company. He said that, if necessary, he could have his father, Senator Bennett of Utah, intercede with Senator Ervin. His conclusion then was that he could handle the Ervin Committee if the Agency can handle Howard Hunt. (b)(1) (b)(3)

14. Mr. Bennett reported that he is well acquainted with a Charlotte, N. C. attorney named McConnell to whom Senator Ervin offered the position of Chief Investigator of the Congressional Committee investigating the Watergate incident. Mr. McConnell, according to Bennett, declined the offer because he is a millionaire in his own right and doesn't need to put up with all the grief associated with such a position. Mr. Bennett said he asked McConnell to inform Senator Ervin that Mullen, Bennett and the company are 100% clean of any involvement in the Watergate. Bennett is certain that Senator Ervin has no desire for revelation of legitimate arrangements or to harm the Agency and would avoid questions concerning our overseas cover placements. Mr. McConnell subsequently told Bennett that he and Senator Ervin were the only passengers on a private plane recently and he discussed Bennett, et al, as requested by Bennett. Mr. McConnell believes Senator Ervin accepted his comments and will not attempt to further involve the Mullen Company people. Bennett believes he and his Agency affiliations

will not be raised again. He has the Ervin Committee shut off (b)(1)
and feels the Agency has the responsibility to persuade Howard (b)(3)
Hunt to avoid revealing what he knows of the history of cover
arrangements with the company. Bennett and Mullen further (b)(1)
suggested that the Agency "plug the leak" in the FBI and/or (b)(3)
Department of Justice.

15. At this time the Agency proposal to bring [redacted] (b)(1)
back PCS prior to 10 March with the legend that [redacted] has (b)(3)
become disenchanted with the company, does not like the change
in ownership from Mullen to Bennett, and has several job pro- (b)(1)
posals he wishes to pursue was then set forth. They said that (b)(3)
on the contrary Bennett and [redacted] get along very well and
[redacted] is deeply involved in a Bennett project described as (b)(1)
the ART FUND which purchases and sells paintings and works of (b)(3)
art. Bennett said that [redacted] and his wife persuaded him
to permit them to invest personal funds in the project and th (b)(1)
[redacted] is devoting considerable time to it. It would do (b)(3)
Bennett and the company serious financial damage if [redacted]
were not permitted to continue. It is especially important
that he be at the Art Show in Denmark from 1 May to 15 June (b)(1)
1973. June (b)(3)

16. They proposed that they request [redacted] to return (b)(1)
next week for consultation. The company has lost the Mormon (b)(3)
Church account to which [redacted] devoted some time, and new (b)(1)
accounts are being acquired. [redacted] could be kept away (b)(3)
from the D. C. area by immediately assigning him to prepare
the SUMMA Summit Conference in late April in Las Vegas. Summa (b)(1)
consists of the top executives of the Howard Hughes companies (b)(3)
and is the successor in the Hughes empire to the Hughes Tool
Company, which was sold. [redacted] with his extensive overseas (b)(1)
experience, might also be a speaker. The Summa Conference will (b)(3)
be a "dry run" for similar conferences which the Mullen Company
is planning to do in representative West Coast cities to
acquaint top West Coast executives with matters of interest such
as pending legislation, overseas competition and the like. (b)(1)
Bennett believes that if May 1 passes without any serious (b)(3)
compromise, then nothing will happen. [redacted] could then
handle the Art Show in Denmark from 1 May to 15 June and then
to [redacted] or if we prefer to [redacted] where the company (b)(1)
has business interests sufficient to support [redacted] Mr. (b)(3)
Mullen also recalled our proposal of two years ago for [redacted]

(b)(1)
(b)(3)

(b)(1)
(b)(3)

(b)(1)
(b)(3)

(b)(1)

(b)(3)

(b)(1)

(b)(3)

Mullen and Bennett took the position that while it was easy to ascribe the opening and closing of the [redacted] office to an experiment, it would be difficult to explain closing in [redacted] where [redacted] "has been trumpeted" among their clients, business prospects and in their literature. It would hurt badly and cost lots of money to end this one.

(b)(1)

(b)(3)

17. [redacted] broached the possibility of the company continuing [redacted] as a legitimate employee if the Agency should be unable to locate an appropriate assignment for him. Mullen said that [redacted] does not possess qualifications such as the ability to write, which are requisite in the public relations field, but is an excellent businessman. [redacted] asked whether [redacted] might assist in servicing the Hughes account. Bennett responded that the Hughes account cannot stand further expenses and some new clients would need to be obtained to support the legitimate employment of [redacted]. The proposal was not rejected, but it was evident that the company prefers the current arrangement which is supported almost entirely by the Agency. Mullen and Bennett both like and admire [redacted] and might employ him if [redacted] employment with the Agency terminates. It was learned that [redacted] discussed with Mullen the possibility of [redacted] resigning from the Agency to accept legitimate Mullen Company employment if the company needs so warranted.

(b)(1)

(b)(3)

(b)(1)

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(b)(3)

(b)(1)

(b)(3)

18. Concerning the employment of Howard Hunt in May 1970. Bennett said smugly that he wasn't responsible and Mullen wishes now that he had not hired him. He recalled that as he of the Marshall Plan some 25 years ago, he became acquainted with Hunt, [redacted]

(b)(1)

(b)(3)

[redacted] Office of Personnel, approached Mullen concerning the qualifications needed by Hunt for public relations work and possible leads for employment for Hunt who was retiring from the Agency. Mullen stated that [redacted] "twisted my arm pretty hard" and he hired Hunt. Mullen believed that DCI, Helms, wished him to employ Hunt, especially after receipt of a splendid letter of recommendation of Hunt from Mr. Helms who later personally expressed his appreciation to Mr. Mullen for hiring Hunt. Mr. Mullen said he honestly believed, as a result of the pressure exerted by [redacted] that the Agency wished him to resolve problems attendant to Hunt's retirement by hiring Hunt.

(b)(1)

(b)(3)

(b)(1)

(b)(3)

(b)(1)

(b)(3)

19. The meeting concluded with Bennett stating that if cover employment with Mullen is terminated before the mid-June ending of the Art Show in Denmark, it will hurt Bennett badly and cost him lots of money. Both then commented that they were "not letting the Agency down. Don't you let us down."

(b)(1)

(b)(3)

(b)(1)

(b)(3)

Chief, Central Cover Staff

SECRET

21 JUN 1972

MEMORANDUM FOR: The Acting Director
Federal Bureau of Investigation

ATTENTION : Mr. Arnold L. Parham

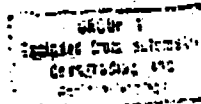
SUBJECT : Robert R. Mullen Company

1. Reference is made to the verbal request of 20 June 1972 for any available information concerning the Robert R. Mullen Company and Interprogress.

2. The utilization of Robert R. Mullen and Company dates back to June 1963, and grew out of the recommendation of a long time cooperative CIA asset. Mr. Mullen has provided certain sensitive cover support overseas for Agency employees.

3. In addition, Mr. Mullen was instrumental in the formation of the Cuban Freedom Committee. Mr. Mullen managed to keep a low profile, and avoided public identification with it, except that his company prepared some brochures for the committee. Mr. Mullen was also utilized by the Agency because of his affiliation with another private firm.

4. As of 1 May 1970, Mr. Everette Howard Hunt, who had just retired from the Central Intelligence Agency, became a legitimate employee of Mr. Mullen. In July 1971, Mr. Hunt informed this Agency that he had been assigned to the President's White House Staff but continued to devote part of his time to the Robert R. Mullen Company. Mr. Hunt was aware of two present cover placements under Robert R. Mullen and Company.

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5. Since 1963, a total of [] people of the Mullen Company have been cleared and made witting of Agency ties, mainly in providing CIA cover overseas. It is to be noted that []

[] is a retired CIA Finance Officer.

(b)(1)
(b)(3)
(b)(1)
(b)(1)
(b)(3)

6. Interprogres is a new subsidiary of the Mullen Company formed in 1971, as a result of contacts developed at the Zagreb Trade Fair in Yugoslavia. It is a pilot operation aimed at expanding East-West commercial relationships. At least two overseas assets have tangential tasks of promoting the acceptance of this company as a Mullen subsidiary.

7. In view of the extreme sensitivity of this information concerning the current use of the Robert R. Mullen Company, it is requested that this report be tightly controlled and not be disseminated outside your Bureau. Please transmit any information on this matter to the attention of the Director of Security.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

Howard J. Osborn
Director of Security

2

SECRET

igger guns were being fired up at the weekend. Wisconsin Sen. Lord Nelson and New York Sen. Jacob Javits were working up a job training and community services bill to earmark Federal revenue-sharing funds for the severed agencies, thus salvaging at least some of the Community Action programs.

WATERGATE:

Whispers About Colson

Can the political espionage and sabotage operation that came to grief in last year's Watergate bugging fiasco be traced to President Nixon's senior White House staff? Most of the impetus for finding out has come, predictably, from the Democrats, who were the targets then and are the potential beneficiaries now. But lately, out of a mixture of motives ranging from private grudges to party loyalty, some Republicans of impeccable pedigree have joined the quest for answers—and the man increasingly in the crosshairs is the President's special counsel, Charles W. Colson.

Though his name has flickered at the edges of the story almost from the start, Colson, 41, has acknowledged little more than that he promoted a White House job for star Waterbugger E. Howard Hunt in 1971. His avowed purpose was to plug news leaks within the Administration, not to spy on the opposition. But well-wired Republican sources told NEWSWEEK's Nicholas Horrocks last week that it was Colson who directed Hunt that year to work up a dossier on Sen. Edward M. Kennedy, with special attention to the 1969 Chappaquiddick tragedy. That spring, these sources said, Colson told Hunt that he was in position to plant a woman in a sensitive secretarial job in Sen. Edmund Muskie's campaign for the Democratic nomination. His asserted marching order to Hunt: find "the right girl" for the job.

Intimate: What came of these two alleged exercises in gumshoeing is unclear. No tale about Kennedy was ever directly traced to Colson, though friends were surprised through the year at how intimately informed Colson was about the senator's activities at almost any given time. Neither is there any evidence that a secretary was infiltrated into Muskie's headquarters. Hunt did manage to slip a student named Thomas Gregory into first Muskie's and later George McGovern's campaign entourage. But Gregory, according to one Federal investigator, "just didn't seem to get very juicy stuff." The objective in planting a secretary, said an insider, was precisely to raise the juice quotient—to get at a whole range of material from sensitive strategy papers to the private behavior and moods of the candidate.

Hunt and his operatives were by no means Colson's only pipeline to what the opposition was up to, sources said. He was well connected with another, hitherto unpublicized Republican intelligence

operation—an around-the-clock "McGovern" campaign on the eighth floor at the headquarters of the Committee for the Re-election of the President. The nominal intent of this "tracking" operation was tame enough: getting McGovern's campaign schedule to the White House by 8:15 every morning so Mr. Nixon's strategists could schedule speakers and time their best shots accordingly. But its style was cloak-and-daggers, GOP sources said, and its last chief, Edward W. Faylor, a Colson ally who took over the watch after the Watergate bugging case broke, told NEWSWEEK that scheduling was only a small part of his operation. He contributed informed advice as well at the daily meetings of Colson's White House "attack group"—the strategy panel charged with keeping McGovern on the defensive.

The mission of the watch, GOP sources said, was "living with" McGovern, Sargent Shriver and their top staffers 24 hours a day and securing not only itin-



In the crosshairs: Hunt (left), Colson

eraries but "anything else they could learn." The headquarters staff, these sources said, operated under aliases and collected data from spies in McGovern campaign offices across the country; one agent made a special trip from California to Washington during the primaries to brief CRP on the inner workings of the McGovern operation. The watch office, one source told NEWSWEEK's Evert Clark, "was one that all those guys like Gregory were plugged into"—and for a time before Watergate it was headquarters for Hunt's spymaster, Gordon Liddy.

The tales of a Colson connection extended beyond political intelligence to political trouble-shooting, memorably in last year's flap over whether an International Telephone and Telegraph Corp. offer to help underwrite the GOP national convention had anything to do with an antitrust settlement favorable to the company. In mid-flurry, an insider

said, Hunt relayed to Colson the theory that the centerpiece in the case—a damaging memo by ITT lobbyist Dita Beard—might have been forged. "Hot damn!" Colson is said to have exclaimed; he decided subsequently that the White House couldn't go directly to ITT with this proposition, NEWSWEEK's source said, but with or without his prompting, Senate Minority Leader Hugh Scott made the forgery charge public. And Colson himself, according to The Washington Post, has told Federal investigators that he once dispatched Hunt to visit Mrs. Beard in her hospital room in Denver. Colson wasn't asked why, but the mission was clearly delicate; Hunt is said to have undertaken it with an alias (Edward Hamilton), a pair of dark glasses and a slightly askew dime-store red wig.

Colson, who has flatly denied knowing anything at all about the Watergate case, was abroad last week on White House business—a final major assignment before his impending return to private law practice—and could not be

reached by NEWSWEEK to respond to the latest stories. He may be surprised at his return at who has been telling them.

Some of the Republican leakage may have come from people with personal scores to settle. Others might have been moved by pure Byzantine politics, hoping to blunt the coming Congressional inquiry into Watergate by getting a scapegoat—and a scapegoat—into the paper piecemeal in advance. But still others seemed genuinely concerned about the continuing damage of the scandal to the party and the Administration as well. Two likely prospects have turned down White House staff jobs because of Watergate, and a third person—a Nixon appointee to a regulatory agency—is quitting largely in discouragement over the handling. In this atmosphere, there are solid Nixonians who believe that the case must be finally laid to rest—even the cost of sacrificing one of their own.

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10. Mr. [redacted] C/CCS and the CCS case officer for the Mullen Company, Mr. [redacted] discussed the above with Mr. William E. Colby and Mr. [redacted] Cord Meyer, Jr. at approximately 1800 hours on 28 February. It was agreed that Mr. Colby would recommend to the DCI, Mr. Schlesinger, that Messrs. Mullen and Bennett be allowed to read the 21 June 1972 memorandum to the FBI and that they be asked to continue to deny any allegation of association with the Agency, and state in effect that there was no relationship, and if there were, it, of course, would not be admitted. Mr. Schlesinger did endorse the proposed course of action. (b)(1) (b)(3)

11. Messrs. [redacted] of CCS met with Messrs. [redacted] Ralph Hatry and [redacted] Charles Beckman of NOCAD at 0840 hours on 1 March to inform them of developments which endanger [redacted] company [redacted] who is under cover of the [redacted] It was decided that Mr. [redacted] would further discuss with Mr. Mullen and Mr. Bennett, who had returned to his office, the Smith visits, allow them to read the 21 June memorandum to the FBI and propose the immediate return of [redacted] to the United States and termination of the [redacted] cover arrangement, the last with the company as the [redacted] was terminated in [redacted] (b)(1) (b)(3)

12. Mr. [redacted] and Mr. Mullen met near the Watergate and proceeded to Mr. Mullen's apartment in The Watergate through a rear entrance to The Watergate. Mr. Bennett joined them shortly and both read the memorandum. It developed that Mr. Bennett had been present during the second meeting with Mr. Smith. Messrs. Bennett and Mullen both were of the opinion that Smith had not seen the memorandum. They suggested that he had only heard of its existence or had seen an FBI report which summarized the memorandum and said only that the company had provided cover for the Agency. They felt that if he had seen the memorandum, he would not have re-visited them or would have accused them on the rather specific information contained in the memorandum. They said they would continue to deny any association with the Agency other than the already acknowledged relationship with the Cuban Freedom Committee. (b)(1) (b)(3)

13. They related that they told Smith he was beating a dead horse and that the Washington Star, Washington Post and Los Angeles Times had already investigated and concluded that the Mullen Company was not involved in the Watergate affair or

the allegation that the CIA had instigated the Watergate Affair. It was an intriguing theory which just died. Mr. Bennett said that he recently spent four hours in Los Angeles being interviewed by a Newsweek reporter and had convinced him that the Mullen Company was not involved with the Watergate Affair. Mr. Bennett rather proudly related that he is responsible for the article "Whispers about Colson" in the 5 March issue of Newsweek. Mr. Bennett does not believe the company will be bothered much more by the news media which is concluding that "the company is clean and has gotten a bum rap while the real culprits are getting scot free." Mr. Bennett said also that he has been feeding stories to Bob Woodward of the Washington Post with the understanding that there be no attribution to Bennett. Woodward is suitably grateful for the fine stories and by-lines which he gets and protects Bennett (and the Mullen Company). Typical is the article "Hunt Tried to Recruit Agent to Probe Senator Kennedy's Life" on page A16 of the Saturday, February 10, 1973, Washington Post. Mr. Bennett mentioned the 12 February 1973 meeting among himself, Mullen and [redacted] when he stated his opinion that the Ervin Committee investigating the Watergate incident would not involve the company. He said that, if necessary, he could have his father, Senator Bennett of Utah, intercede with Senator Ervin. His conclusion then was that he could handle the Ervin Committee if the Agency can handle Howard Hunt. (b)(1)
(b)(3)

14. Mr. Bennett reported that he is well acquainted with a Charlotte, N. C. attorney named McConnell to whom Senator Ervin offered the position of Chief Investigator of the Congressional Committee investigating the Watergate incident. Mr. McConnell, according to Bennett, declined the offer because he is a millionaire in his own right and doesn't need to put up with all the grief associated with such a position. Mr. Bennett said he asked McConnell to inform Senator Ervin that Mullen, Bennett and the company are 100% clean of any involvement in the Watergate. Bennett is certain that Senator Ervin has no desire for revelation of legitimate arrangements or to harm the Agency and would avoid questions concerning our overseas cover placements. Mr. McConnell subsequently told Bennett that he and Senator Ervin were the only passengers on a private plane recently and he discussed Bennett, et al, as requested by Bennett. Mr. McConnell believes Senator Ervin accepted his comments and will not attempt to further involve the Mullen Company people. Bennett believes he and his Agency affiliations

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will not be raised again. He has the Ervin Committee shut off and feels the Agency has the responsibility to persuade Howard Hunt to avoid revealing what he knows of the history of cover arrangements with the company. Bennett and Mullen further suggested that the Agency "plug the leak" in the FBI and/or Department of Justice. (b)(1)
(b)(3)

15. At this time the Agency proposal to bring back PCS prior to 10 March with the legend that [redacted] as become disenchanted with the company, does not like the change in ownership from Mullen to Bennett, and has several job proposals he wishes to pursue was then set forth. They said that on the contrary Bennett and [redacted] get along very well and [redacted] is deeply involved in a Bennett project described as the [redacted] which purchases and sells paintings and works of art. Bennett said that [redacted] and his wife persuaded him to permit them to invest personal funds in the project and that [redacted] is devoting considerable time to it. It would do Bennett and the company serious financial damage if [redacted] were not permitted to continue. It is especially important that he be at the [redacted] from 1 May to 15 June 1973. (b)(1)
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16. They proposed that they request [redacted] to return next week for consultation. The company has lost the Morman Church account to which [redacted] devoted some time, and new accounts are being acquired. [redacted] could be kept away from the D. C. area by immediately assigning him to prepare the SUMMA Summit Conference in late April in Las Vegas. Summa consists of the top executives of the Howard Hughes companies and is the successor in the Hughes empire to the Hughes Tool Company, which was sold. [redacted] with his extensive overseas experience, might also be a speaker. The Summa Conference will be a "dry run" for similar conferences which the Mullen Company is planning to do in representative West Coast cities to acquaint top West Coast executives with matters of interest such as pending legislation, overseas competition and the like. Bennett believes that if May 1 passes without any serious compromise, then nothing will happen. [redacted] could then handle the [redacted] from 1 May to 15 June and then [redacted] or if we prefer to [redacted] where the company has business interests sufficient to support Mr. Mullen also recalled our proposal of two years ago to [redacted] (b)(1)
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Mullen and Bennett took the position that while it was easy to ascribe the opening and closing of the [redacted] office to an experiment, it would be difficult to explain closing in [redacted] where [redacted] presence [redacted] "has been trumpeted" among their clients, business prospects and in their literature. It would hurt badly and cost lots of money to end this one.

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17. [redacted] broached the possibility of the company continuing [redacted] as a legitimate employee if the Agency should be unable to locate an appropriate assignment for him. Mullen said that [redacted] does not possess qualifications such as the ability to write, which are requisite in the public relations field, but is an excellent businessman. [redacted] asked whether [redacted] might assist in servicing the Hughes account. Bennett responded that the Hughes account cannot stand further expenses and some new clients would need to be obtained to support the legitimate employment of [redacted]. The proposal was not rejected, but it was evident that the company prefers the current arrangement which is supported almost entirely by the Agency. Mullen and Bennett both like and admire [redacted] and might employ him if [redacted] employment with the Agency terminates. It was learned that [redacted] discussed with Mullen the possibility of [redacted] resigning from the Agency to accept legitimate Mullen Company employment if the company needs so warranted.

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18. Concerning the employment of Howard Hunt in May 1970, Bennett said smugly that he wasn't responsible and Mullen wishes now that he had not hired him. He recalled that as head of the Marshall Plan some 25 years ago, he became acquainted with Hunt. [redacted] External Affairs Branch, Retirement Division, Office of Personnel, approached Mullen concerning the qualifications needed by Hunt for public relations work and possible leads for employment for Hunt who was retiring from the Agency. Mullen stated that [redacted] "twisted my arm pretty hard" and he hired Hunt. Mullen believed that DCI, Helms, wished him to employ Hunt, especially after receipt of a splendid letter of recommendation of Hunt from Mr. Helms who later personally expressed his appreciation to Mr. Mullen for hiring Hunt. Mr. Mullen said he honestly believed, as a result of the pressure exerted by [redacted], that the Agency wished him to resolve problems attendant to Hunt's retirement by hiring Hunt.

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19. The meeting concluded with Bennett stating that if [redacted] cover employment with Mullen is terminated before the mid-June ending of the [redacted], it will hurt Bennett badly and cost him lots of money. Both then commented that they were "not letting the Agency down. Don't you let us down."

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[redacted]
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Chief, Central Cover Staff

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4 March 1970

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MEMORANDUM FOR THE RECORD

SUBJECT: Possible Employment of Howard Hunt with General Foods

1. At the request of [redacted] of the retire- (b)(1)
ment branch, the writer arranged for [redacted] to meet (b)(3)
with Robert R. Mullen, of Robert R. Mullen & Company in
Washington to ascertain the qualifications desired for a (b)(1)
public relations man. [redacted] stated that Howard Hunt (b)(3)
who is about to retire or has retired is searching for employ-
ment in that field. [redacted] did meet with Mr. Mullen (b)(1)
who, according to [redacted] was most gracious and who knew Mr. (b)(3)
Hunt as a co-worker with another Government Agency (Department
of Commerce) prior to World War II. Mr. Mullen informed Mr.
[redacted] that he had just had an inquiry from a personal friend (b)(1)
with General Foods who was looking for a public relations (b)(3)
man and Mr. Mullen believed that Mr. Hunt might be qualified
for the position. Mr. Mullen has arranged for contact between
Mr. Hunt and his contact in General Foods in White Plains,
New York. Mr. Mullen has a long standing business relation-
ship with General Foods.

2. The writer explained to Mr. Mullen that both before (b)(1)
and after arranging the appointment with [redacted] that (b)(3)
CCS is most anxious to avoid any suspicion of a relationship
between CIA and Mr. Mullen in view of the fact that Mr. Mullen
is presently covering an Agency employee. Mr. Mullen stated
that his relationship with Mr. Hunt is such that he could
easily attribute his knowledge of Mr. Hunt's availability to
the fact that he has known Hunt for a long period of years.
There will be no reason to suspect Mr. Mullen's contact with
CIA according to Mr. Mullen.

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701 Acting Chief,
Central Cover Staff
Corporate Cover Branch

(b)(1)
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[redacted] cpl:5158:5March70

Distribution:

Orig [redacted]

1-Reading, 1-Chrono

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15 April 1974

MEMORANDUM FOR: Chief, SB, [redacted]
SUBJECT : Watergate
REFERENCE : Memo, "Watergate-Guidelines for Agency File Review, dated 22 March 1974

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1. During my assignment in Central Cover Staff (February 1967 - April 1972) I had access to and worked directly with several files mentioned in paragraph 7 of reference memo.

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2. As an Information Clerk (1967-1969) I was responsible for maintaining the ITT. Robert R. Mullen & Co., [redacted] Service files.

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3. From 1969 to 1970, as a secretary in the [redacted] of CCS, I requested [redacted]

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to these companies. The checks were payment for [redacted]

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(b)(3)

4. In August 1970 I was assigned secretary to Deputy Chief, CCS, [redacted] a position I held until April 1972 when I came to SB [redacted]. During 1970-71 I received and placed several calls for [redacted] to Mr. E. Howard Hunt. I was told he worked in the Executive Office Building and that I should use his private line (ME 8-2526). I neither monitored these calls, nor did I take any dictation from [redacted] concerning the calls. I have no knowledge of conversations that took place between them during these calls.

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Note: Discussed with C/CCS/[redacted] 29 April, esp. para 4. This activity believed to already be part of record and was in line with official Agency dealings with [redacted]

the Mullen Company.

C/SE [redacted]

E2 IMPDET [redacted]

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S E C R E T

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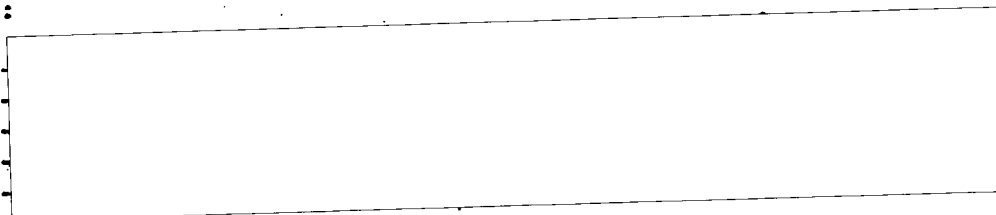
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(at that time the head of BRYCHKOV's Section of Political Problems of the Antimonopoly Struggle) [redacted]
"we (IMEMO) were well prepared" before the Times commenced publication. That remark led [redacted] to speculate that it was the Pentagon Papers that the KULISH group was analyzing.

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Distribution:

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S E C R E T

S E C R E T

[redacted]
10 April 1974(b)(1)
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MEMORANDUM FOR THE RECORD

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SUBJECT: A Possibility that the Pentagon Papers were in Moscow before being Publicized in the United States

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SOURCE : [redacted] a legal emigrant from the USSR who

[redacted] In his mid-twenties in age, he is well educated, bright, and alert. Although not himself in a senior position in [redacted] he had frequent direct contact with top-level officials. He was an active Komsomol member, but had no substantive access to central Party elements, and no personal access to Soviet leadership circles; his information relating to these areas, therefore, can be characterized as informed Moscow political gossip. [redacted] left the USSR in [redacted]

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DATE OF INFORMATION: 1971

DATE OF DEBRIEFING : Summer [redacted]

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1. At a date that [redacted] can no longer remember, Aleksandr Rodionovich BRYCHKOV (201-0809408) (Senior Research Fellow, Section of Political Problems of the Anti-monopoly Struggle at IMEMO) [redacted] IMEMO's Division of International Relations, headed by Vasilii Mikhaylovich KULISH (201-0864696), was analyzing "very important" American papers.

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2. Sometime thereafter, when Jack ANDERSON began the public exposure of the Pentagon Papers and the New York Times began publishing them, Stepan Stepanovich SALICHEV

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16 April 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Pentagon Papers to the Soviet Embassy

1. On 12 April I reviewed SB [] holdings (news clips and Agency memoranda) relating to a 25 June 1971 FBI report on the alleged delivery of the Pentagon papers to the Soviet Embassy in Washington. None of these papers are SB originated documents, but they show that:

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a. On 4 June 1971 Chief SB reviewed the clips and the related memoranda.

b. A blind memorandum (possibly prepared by CI Staff) bears the handwritten notation, "1 July 1971, written for the DCI's briefing book". It describes the FBI source and background to the report.

c. On 24 May 1973 Mr. Colby, as Executive Director Comptroller and DDO, was briefed by Messrs. Blee and Angleton on the 1971 FBI report (see memo Executive Registry 73-2607, 2 June 1973); and then Mr. Colby discussed this with the DCI in connection with a visit from Washington Post reporters.

d. On 27 November 1973 the SB [] holdings (clips plus memoranda) were furnished to the ADDO Mr. Blee for his review.

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(b)(3)

2. Although the original FBI report on the Pentagon Papers has been significantly involved in Watergate-related testimony, there are no unique materials in SB [] holdings. Furthermore, all key documents are available at the DDO and DCI level, and presumably have been identified in previous searches.

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Chief

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d. [] was secretary in DDO/CCS until April 1972 and has written a memorandum concerning her recollections about contacts between CCS and Mr. Hunt in 1970-71. This memorandum has been furnished to DDO/CCS and DDO/EUR Division for possible further investigation. (b)(1)
(b)(3)

3. Pentagon Papers: Attached are two papers concerning the question of Soviet possession of the Pentagon papers in 1971.

4. Robert R. Mullen and Company: One of our staff officers [] was abroad several times under cover of this company. DDO/CCS has advised that this has been fully covered in its review of overall relations with Mullen and Company. (b)(1)
(b)(3)

5. Miscellaneous: (b)(1)
(b)(3)

a. [] was referred to your office on 15 April to discuss recollections from his previous assignment in [] which might be related to this review. (b)(1)
(b)(3)

b. Mr. Dwight Chapin, former Presidential Appointments Secretary: [] has reported dealing with Mr. Chapin during the latter's visit to Moscow in early 1972 in connection with the Presidential visit. This association was entirely professional and in accordance (b)(1)
(b)(3)

[] Nothing in this activity appears relevant to the current review, and details are on file with this Division, if required for review. (b)(1)
(b)(3)

[] (b)(1)
(b)(3)

Chief

[] (b)(1)
(b)(3)

Attachments:

- a. Memo on Pentagon Papers, 16 April 1974
b. [] 10 April 1974

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DD/O74-2239

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M4-0897

30 April 1974

MEMORANDUM FOR: Office of the Inspector General
Attention: [redacted]

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SUBJECT : Watergate File Review
Findings Within DDO/SB Division

Reference : IG Memorandum on Guidelines, 22 March 1974

1. Although no directly relevant file materials on Watergate and associated matters have been found in DDO/SB Division files, certain items have been uncovered which in a broader sense bear on topics cited in your guidelines paper. These are included below for your records and as a reference point, if further investigation should be warranted.

2. Watergate and the "individuals involved": In canvassing SB employees in Headquarters, 23 (complete list held in SB) have reported professional contact with either Mr. Hunt or Mr. McCord prior to 1970 when the latter were staff employees. Except as cited below, none has had substantial contact with either man since 1970 and none has reported any matters relating to the current review.

a. [redacted] closely acquainted with Mr. McCord. He has spoken directly with the IG staff in 1973.

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b. [redacted] acquainted with Mr. and Mrs. Hunt. She also has spoken directly with the IG staff.

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c. [redacted] was secretary in EUR Division in Mr. Hunt's office in 1967, and was interviewed by the IG staff in 1973.

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(b)(3)

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[redacted] (b)(1)
(b)(3)

A-(25)

General Summary of the CIA
Relationship with Robert R. Mullen Co.

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Wrap-Up of the Agency's Association With Robert R. Mullen and Company

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(b)(3)

I. General

The Agency's relationship with the Mullen Company and its principals primarily relates to the Agency's need for cover for employees assigned abroad. However, over the years there have been other contacts not strictly limited to cover matters.

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II. Cover

The willingness of the Mullen Company to provide cover was first broached in 1963 by a representative of another bona fide firm providing cover for Agency employees. Over the years there have been starting in October 1963 some [redacted] different cover slots with Mullen Company with last such association ending in August 1972.

(b)(1)

(b)(3)

A. Cover Placements:

- (1) An office was opened in [redacted] and terminated in [redacted] at the Agency's request. The business produced by the office did not justify its maintenance by the company on its own account, and it was closed. (b)(1) (b)(3)
- (2) [redacted] an office was opened in [redacted] which ultimately provided cover slots. It was closed in [redacted] when there was no longer a need for these cover slots and the company could not maintain the office on its own account. (b)(1) (b)(3)
- (3) Another cover slot was maintained in [redacted] from [redacted] until [redacted]. (b)(1) (b)(3)
- (4) From [redacted] until [redacted] the company provided cover in [redacted] and this office, too was closed with the withdrawal of the Agency employee. (b)(1) (b)(3)
- (5) Another office was opened in [redacted] and although the cover was terminated in [redacted] the office was not final as not final because of the problems related to the lease and disposal of office assets. (b)(1) (b)(3)

The above cover arrangements were provided by Mr. Mullen at actual cost until November 1967 when a fee of [redacted] per year was paid for each slot. Mullen named certain incumbents in the cover slots to a Mullen subsidiary, Interprogres, which was set up to foster East/West trade. This enhanced individual cover slots but no use was made of the corporation for other Agency purposes. (b)(1) (b)(3)

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- B. First Contact with Bennett - Upon the resignation of Robert Foster Bennett from the Department of Transportation on 1 January 1971 to become a director and vice president of Mullen Company, the Agency cleared and on 30 April 1971 briefed him on the current cover arrangements.

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- C. Witting Mullen Company Employees - A number of employees of the company have become aware of the Agency's association with the company over the years. These include Amanda Abernathy, Mr. Mullen's personal secretary, [redacted] a retired Agency employee who was hired by Mullen as the company's accountant, and [redacted] another ex-Agency employee who succeeded [redacted] and [redacted]

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III. Other Agency Contacts

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- A. Mr. Mullen apparently had an association with Mr. Richard Bissell, a former Deputy Director for Plans. As a result, Mr. Mullen was in contact with the Agency in connection with his travel to [redacted] and this contact continued from 1959 through June 1961. (b)(1)
(b)(3)
- B. The Mullen firm was hired to provide promotional support to the Cuban Freedom Committee for [redacted] per month plus expenses. (b)(1)
(b)(3)
- C. In March 1965, the Agency purchased from Mullen [redacted] a dormant company, the Intercontinental Research Company, Inc., for around [redacted] and it was used as [redacted] abroad but was dissolved in 1968. (b)(1)
(b)(3)
- D. In July 1970, Mr. E. Howard Hunt advised that cover was available with the [redacted] but the Agency was not interested. (b)(1)
(b)(3)
- E. In addition to the above contacts: (b)(1)
(b)(3)
- (1) Mr. Karamessines in October 1971 (then the DD/P) was invited to lunch by Mr. Hunt. Mr. Hunt expressed Mr. Mullen's concern with the effect on his company of the closing down of overseas offices established for the Agency after relatively short periods of operation. As a result, Mr. Karamessines instructed that the [redacted] office be maintained for a minimum of five years.

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- (2) Mr. Cord Meyer, Jr., Mr. Karamessines' deputy, met with Messrs. Mullen and Hunt concerning a possible cover arrangement in [redacted]

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(b)(3)

- (3) Other contacts include a January 1966 debriefing of Mr. Mullen concerning [redacted] and a September 1964 debriefing concerning a [redacted] organization.

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(b)(3)

IV. Hiring of Hunt

- A. [redacted] contacted Mr. Robert R. Mullen in March 1970 relating to the advice and assistance in obtaining a public relations position for Hunt. (b)(1)
(b)(3)

- B. On April 10, 1970, Mr. Mullen advised that he had decided to employ Hunt. Concern over the possibility that the employment of an ex-Agency employee might have an adverse effect on the cover arrangement of individuals with the Mullen Company, was in Mr. Mullen's mind negated. He had known Hunt since the early days of World War II, it was logical for him to employ Hunt and that Hunt could fuff his Agency background by claiming to have been an author who had published some 30 books. It was later understood from Mr. Hunt that his salary with the company was \$20,000 per year with the understanding that it would be adjusted upward in the near future. (b)(1)
(b)(3)

- C. After Watergate, Mr. Robert Mullen mentioned his hiring of Hunt for the Mullen Company on several occasions. He said that in retrospect he wished he had not hired him and recalled that [redacted] approached him concerning qualifications required for employment in public relations work and possible leads for employment for Hunt when he was about to retire from the Agency. Mullen stated that [redacted] "twisted my arm pretty hard" and he hired Hunt. Mullen said further that he believed that the DCI wished Mullen to employ Hunt, especially after receipt of a special letter of recommendation from Mr. Helms who later personally expressed his appreciation to Mullen for hiring Hunt. Mullen said he honestly believed because of the pressure exerted by [redacted] that the Agency wished him to resolve problems attendant to Hunt's retirement by hiring Hunt. (b)(1)
(b)(3)

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D. In a 20 July 1973 meeting with Mr. Mullen the Helms letter was raised and Mr. Mullen recalled that Mr. Hunt in addition to the letter from Helms had also exhibited a copy of a letter of recommendation by Helms to a company which Mr. Mullen believed was ~~Allied Chemical~~. Mr. Mullen also recalled that at a function at the Kennedy Center he had seen Mr. Helms. They were not able to converse, but Mr. Helms had winked and given a hand signal to Mr. Mullen which Mr. Mullen had interpreted as an approval of hiring of Hunt. Mullen attempted to get the Helms letter but said his secretary reminded him that the entire file concerning Hunt had been given to the U.S. Attorney's office by Mr. Bennett during the investigation of the "Watergate incident" during the summer and fall of 1972. On another occasion Mullen observed that in view of Hunt's admitted forgery of State Department cables he wondered whether the letter was authentic. An exhaustive search of the Special Prosecutor's files was conducted and it was reported by Mr. Merrill of the Special Prosecutor's staff that the letter could not be found.

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V. Post Watergate Contacts

As a result of the jeopardy to the cover arrangements from the Watergate incident and another unrelated incident which threatened to compromise a number of operational interests of the Agency, contact with Mr. Bennett who had assumed ownership of the company circa June 1972, was maintained. Mr. Bennett was extremely cooperative and in addition passed along information which he received from his various sources concerning the Watergate affair, E. Howard Hunt, his association with the Howard Hughes interests with which he had obtained a public relations contract for the Mullen Company, allegations concerning dishonesty of Robert A. Maheu whose company formerly had handled many matters for the Hughes interests, and other matters.

A. One such meeting occurred on 10 July during which, among other things, Bennett informed the Agency representative that he had worked out an arrangement with the U.S. attorney in connection with the Grand Jury proceedings of the previous week which would permit him to answer a question concerning the Agency's relationship with the company without divulging the cover relationships.

B. In connection with an alleged leak from the Justice Department concerning the Mullen/Agency relationship, Mullen and Bennett were permitted to review the memorandum to Acting Director FBI from the Agency concerning the Mullen Company relationship in an effort to determine the source of the alleged leak.

C. Mr. Bennett, in anticipation of a Grand Jury appearance, secured the services of a Washington law firm. In view of his representations that he could not have handled the questions concerning the Agency adequately without the advice of counsel, the Agency reimbursed him for one-half of the attorney's fee. The reimbursement was \$440.

D. On 19 October 1973 we advised Bennett that should he be interrogated by the Special Prosecutor he should explain his full knowledge of the Agency's relationship with the Mullen Company. Bennett said he had already been twice interviewed and that he had stated he could not discuss these matters because he was bound by a secrecy agreement.

E. On 7 September 1973 Mr. Mullen contacted the Agency concerning an upcoming interrogation by the Select Committee of [redacted] and was advised that she should answer all questions truthfully to the best of her knowledge.

(b)(1)
(b)(3)

SECRET

~~CONFIDENTIAL~~☐ UNCLASSIFIED☐ INTERNAL
USE ONLY☐ CONFIDENTIAL☒ ~~SECRET~~

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

ITT- mullen

FROM:

C/CCS
G H 56 Hdqs.

EXTENSION

5407

NO.

DATE

7 August 1973

TO: (Officer designation, room number, and building)

Tabe

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment)

1. C/WH/FI
3 D 3113 Hdqs.*Call 1589
to pick up***EXPEDITE**

2.

3.

4.

5.

6.

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8.

9.

10.

11.

12.

13.

14.

15.

CCS/RT
8 AUG 1973

5-III-150

~~SECRET~~[REDACTED]
7 August 1973(b)(1)
(b)(3)

MEMORANDUM FOR: C/WH [REDACTED]

(b)(1)
(b)(3)SUBJECT : Inquiry regarding possible ITT association
with CIA and Robert R. Mullen and Company.REFERENCE : Letter dated 29 July 1973 from Watergate
Special Prosecution Force to Acting Gen-
eral Counsel

1. [REDACTED] of WH [REDACTED] made available a
copy of the referenced letter to CCS on 6 August and re-
quested CCS/CCB's response to questions 3 and 4.

(b)(1)
(b)(3)

2. Concerning question 3, CCS has never had occasion
to discuss with Robert R. Mullen and Company whether it
has had any association or arrangements with ITT. The CCS
file on Robert R. Mullen and Company contains two brochures
made available over a period of several years by Mullen
and neither lists ITT among its clients.

3. Concerning question 4, CCS has never had any re-
lationship with the ITT Public Relations Office in Coral
Gables, Florida and has no information regarding it.

[REDACTED]
Chief, Cover and Commercial Staff(b)(1)
(b)(3)

cc: OGC

E2 IMPDET
[REDACTED](b)(1)
(b)(3)

CLASSIFICATION REVIEW E.O. 13526
CONDUCTED ON 24/1/98
PERFORMED BY [REDACTED]
CL. REASON 1.5.C.2
DECL. ON 2-1
ORV FROM ORIG. CL. AUTH.

(b)(1)
(b)(3)

☐ UNCLASSIFIED☐ INTERNAL
USE ONLY☐ CONFIDENTIAL☐ SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Acting Chief, Central Cover Staff

EXTENSION

NO.

DATE

29 August 1973

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

Deputy Director for
Operations 7 E 22

29 AUG 1973

8/31

4

2.

Office of General Counsel
7 D 01

10/1/73

8/31

[initials]

4.

The Inspector General
2 E 24

8/31

8/31

[initials]

6.

31 August

7.

F.12

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15.

To 1, 3 and 5:

This information is forwarded
to comply with instructions to
have all Watergate related matters
included in central IG files.107 5200-00
107 5200-00

A (114)

(b)(1)

(b)(3)

~~SECRET~~
(When Filled In)

CONTACT REPORT		FILE NUMBER: 13265	DATE: 27 April 1972	(b)(1) (b)(3)
ORGANIZATION (Name & full address)				
Washington, D. C.				
NAME OF CONTACT		TITLE		DATE OF CONTACT
Robert R. Mullen		President		24 April 1972
Robert F. Bennett		Vice President		(b)(1)
Edward Naeher		Comptroller		(b)(3)
CONTACTED BY: CCS/CCB				
PURPOSE OF CONTACT				
SUMMARY OF RESULTS:				
<p>1. Messrs. Robert R. Mullen, Robert F. Bennett and Edward Naeher of [] met with [] of CCS/CCB on 24 April 1972, concerning [] dated 13 April 1972, suggested that Mr. Mullen write to [] instructing him to reduce office expenses because of the "tight money situation" in the company and because business opportunities [] had not developed as anticipated. The dispatch related that the cost of the office could probably be reduced to a minimum of \$1,000 per month. By coincidence, Mr. Naeher was in receipt of a letter from [] estimating the average monthly expenses of the office at \$1400 U.S. [] believed that the revolving fund of \$2,000 per month would be sufficient with his requiring replenishment during the first week of each month. A copy of this letter, a balance sheet as of 31 March 1972, income and expenditure account for the period 1 October - 31 March 1972, and receipts and disbursements statement for the month of March are included for FE/B&F.</p> <p>2. Mr. Mullen will not be able to go to [] until mid-June due to unanticipated business developments. Mr. Mullen believed that proposed meeting with [] will be advantageous to all concerned. [] has recently proposed to the company involvement in a \$3 million deal in [] and a \$30 million deal in [] Mr. Mullen emphasized that [] is a public relations firm and not an investment firm. Mr. Mullen believed that [] possibly has Agency operational matters to pursue in [] and has no objection to his proceeding there if this is the case.</p>				
CONTINUE ON SEPARATE SHEET: (b)(1)CESSARY				
DISTRIBUTION: [] Reading Board; Chrono (b)(3)				

FORM 2-67

~~SECRET~~

GROUP 1
Excluded from automatic
downgrading and
declassification

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3. Mr. Mullen agreed to the suggestion in the above dispatch that [] could draft answers to his own proposals for transmittal through Agency channels and thence by CCS for [] concurrence and typing. Mr. Bennett also suggested that the company can possibly involve [] in the distribution of a book concerning the Church of the Latter Day Saints (Mormon Church) which [] has been handling in other areas of the world. The Church has a representative in [] and [] might become involved with him on either a strictly business basis or on a personal basis for Messrs. Mullen and Bennett. (b)(1) (b)(3)

4. CCB will follow with Mr. Mullen his travel plans for [] (b)(1) (b)(3)

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20 June 1972

MEMORANDUM FOR: Office of Security

ATTENTION : Fred Evans

SUBJECT : CIA Utilization of the Robert R. Mullen Company

1. The utilization of Robert R. Mullen and Company dates back to June 1963 and grew out of the recommendation of Mr. [redacted] a long time cooperative CIA asset. Mr. Mullen has provided cover for the following:

(b)(1)

(b)(3)

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2. In addition, Mr. Mullen was instrumental in the formation of the Cuban Freedom Committee at the request of Mr. Richard Bissell. Mr. Mullen managed to keep a low profile in this committee and avoided public identification with it, except that his company prepared some brochures for the committee. Also he was the original owner of the Intercontinental Research Company, Inc., which was used [redacted] for its [redacted] and became one of the first casualties of [redacted] Mr. Mullen's name did not surface in that context.

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3. As of 1 May 1970, Mr. E. Howard Hunt, who had just retired from CIA, became a legitimate employee of Mr. Mullen. Mr. Hunt was an overt CIA employee from November 1949 - December 1950; November 1953 - January 1954; October 1956 - January 1957; and July 1960 - September 1966. In July 1971, Mr. Hunt informed Central Cover Staff that he had been assigned to the President's White House Staff but continued to devote part of his time to the Mullen Company. Mr. Hunt is aware of [redacted] present cover placements under Robert R. Mullen and Company.

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4. Another part-time employee, [redacted] Mullen's, bookkeeper and accountant, is a retired CIA finance officer.

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5. Aside from a brief use of correspondents in France and Tokyo in the past, the Mullen Company's overseas efforts have been largely in the service of providing CIA cover.

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6. Central Cover Staff records reveal no compromise of CIA's continuing use of Mr. Mullen and his company. Investigation of Mr. Mullen's activities abroad would reveal the opening and closing of Mullen branch offices in [redacted], [redacted] and the current employment of staff agents in [redacted] and [redacted].

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[redacted] The staff agent currently under cover in [redacted] has uninterrupted employment with the Mullen Company for almost eight years. Since 1963, [redacted] of the Mullen Company have been cleared and made witting.

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(b)(3)

7. Central Cover Staff has no knowledge of Mullen's connections with the Association of National Advertisers or CIF. INTERPROGRES is a new subsidiary of the Mullen Company formed in 1971 as a result of contacts developed at the Zagreb Trade Fair in Yugoslavia. It is a pilot operation aimed at expanding east-west commercial relationships. Both present Agency intregrees in [redacted] have tangential tasks of promoting the acceptance of this company as a Mullen subsidiary.

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8. Mullen has as one of its clients the General Foods Corporation headquartered in White Plains, New York. This firm has provided cover for the following:

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SECRET

Over the years because of personnel changes, [redacted] of the General Foods Corporation have been cleared. Needless to say, General Foods Corporation is not aware of our cover use of the Mullen Company nor is Mullen aware of our use of General Foods.

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[redacted]

(b)(1)
(b)(3)

Chief
Central Cover Staff
Corporate Cover Branch

SECRET

(b)(1)
(b)(3)~~SECRET~~
(When Filled In)

CONTACT REPORT		FILE NUMBER:	DATE:
			(b)(1) 6 June 1972 (b)(3)
ORGANIZATION (Name & full address)			
Washington, D. C.			
NAME OF CONTACT	TITLE	DATE OF CONTACT	
Robert R. Mullen	President	1 June 1972	
		(b)(1) (b)(3)	
CONTACTED BY:			
CCS/CCB			
PURPOSE OF CONTACT			
(b)(1) (b)(3)			
ACTION REQUIRED	Follow with division.		
	(b)(1) (b)(3)		
	(b)(1) (b)(3)		
SUMMARY OF RESULTS:			
<p>1. Mr. Robert R. Mullen requested that [redacted] of CCS/CCB meet with him on 1 June 1972 concerning recent developments in the [redacted]. He provided copies of letters written by himself to [redacted] dated 25 and 26 May concerning business potential with the International Bank of Washington and General Foods International Division. Copies of these letters (b)(1) provided for your information and retention. (b)(3)</p> <p>2. Mr. Mullen also provided a copy of his itinerary for his coming trip to Houston, West Coast and the Far East. He is to leave for Houston on 10 June, and after stops in Los Angeles and Honolulu, will arrive in [redacted]. He plans to stay in [redacted] (b)(1) until 5 July and plans to return to Washington, D. C. on 11 July. (b)(3) In accordance with the Letter of Cover Agreement, this trip will be (b)(3) charged to the Agency. (b)(1) (b)(3)</p> <div style="border: 1px solid black; width: 300px; height: 80px; margin-left: auto; margin-right: auto;"></div>			
MJL:1b1 (b)(1) (b)(3)			
CONTINUE ON SEPARATE SHEETS AS NECESSARY			
DISTRIBUTION:		RB; Chrono	

~~SECRET~~GROUP 1
Excluded from automatic
downgrading and declassification(b)(1)
(b)(3)

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24 July 1972

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(b)(3)

MEMORANDUM FOR THE RECORD

(b)(1)
(b)(3)

SUBJECT: _____

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(b)(3)

1. Robert R. Mullen and Robert F. Bennett, principal officers of _____ met with _____ of the Agency at _____ residence at 1700 _____ hours on Friday, 21 July 1972 so that we could discuss the Agency objective of removing _____ from both _____ followed the agreed upon scenario that the _____ Station and Agency Headquarters desire _____ to be removed at once from both _____ because the publicity given _____ in connection with the "Watergate Five" incident has made _____ position untenable.

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2. _____ refreshed Mullen's memory concerning the incident in 1966 when a letter from the CIA recruitment office with an Agency return address was inadvertently given to _____ the occupant of the room adjoining _____ when both were graduate students at the University of Indiana. _____ then of being an Agency employee. On 12 February 1972, _____ bumped into each other on the street in _____ in a loud, loud voice said "you are a CIA agent." We decided to add a to date untrue (but _____ entirely possible) additional encounter with _____ informed Mullen and Bennett that a cable was received on Thursday, 20 July relating that _____ had sought _____ out _____ and informed him that the publicity given _____ in connection with E. Howard Hunt, publicly stated to be a former CIA employee and employed by _____ until the "Watergate Five" incident, convinced _____ is involved with CIA and that _____ employee

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WARNING NOTICE

SENSITIVE INTELLIGENCE SOURCES
AND METHODS INVOLVED~~SECRET~~

CLASSIFIED BY _____ signer
EXEMPT FROM GENERAL DECLASSIFICATION
SCHEDULE OF E.O. 11652, EXEMPTION CATEGORY:
§ 5B(1), (2), (3) or (4) (circle one or more)
AUTOMATICALLY DECLASSIFIED (b)(1)
APDCI _____ (b)(3)
(unless impossible, insert date of review)

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in [] is also actually CIA. The risk [] is aggravated because [] who was Chairman of the History Department at the [] when [] visited in June 1970 in [] in connection with his doctoral thesis and who was then unduly suspicious of [] is now [] where he controls the Security Police. The [] is not a friendly one and we fear [] could be picked up at any time. Mullen said he had been briefed by the [] on 4 July 1972 concerning the unfriendly [] when he saw [] and the COS in connection with the need to beef up []

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3. Mullen reported that as a result of his meeting with [] additional substance, he had yesterday, 20 July, met with General George Olmstead, President of the International Bank of Washington and persuaded General Olmstead that there is real business potential for Olmstead's firm(s) there. [] cannot simply close out its office in face of this just generated optimism. Mullen and Bennett suggested cabling [] to return to [] Headquarters at once on the premise that his presence will be necessary for up to a month in connection with business matters discussed at their 4 July meeting. Mullen or Bennett would go to [] instead of [] in a month or so to either close out the office or take it over if the potential with General Olmstead so dictates. Mullen's suggestion that the Agency could continue to use the [] cover was vetoed by [] Bennett then

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pointed out that the connection with the Morrell Company via either [] and/or Bennett was too direct to permit our continued involvement. We must disassociate from Mullen entirely. [] Mullen stated that the [] felt that [] could be covered by Mullen in [] as well as he could in []

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(b)(1) [] said that [] cannot remain with [] in
(b)(3) any location and must absolutely sever his [] relationship. [] gave Mr. Mullen a suggested letter to be written [] (copy attached). Mullen was of the opinion that such an abrupt close out would only confirm any suspicions concerning [] (b)(1) and at the best would require a month or so to accomplish. He thought [] would be arrested before he (b)(3) could leave [] also might wish to continue the office itself and wants time to make its decision. (b)(1)
(b)(3)

4. [] excused himself to telephone his superior, [] and returned to report Mr. [] (b)(1)
(b)(3) [] decision to withhold action until interested Agency components conferred on Monday, 24 July 1972. (b)(1)
(b)(3) Mr. Mullen then said that in view of the risk that [] might be arrested at any time he would cable (b)(3) [] at once to proceed immediately to [] for discussions relating to a prospective deal as set forth in their July meeting. [] had told Mullen that the Agency tentatively plans to move [] under a yet to be determined cover. Mullen ruled out [] for the stop-gap location as being too far away (b)(1)
(b)(3) from [] to handle office matters such as signing checks, etc. Mullen was critical of (b)(3) the Agency's slowness in removing [] and mentioned his knowledge of our "bureaucratic procedures." He obviously is primarily concerned with (b)(1)
(b)(3) [] personal safety. Kindschi later informed [] (b)(3) that while [] was telephoning Mr. [] Mr. Mullen had asked him whether the Agency was justified in its appraisal of the danger to [] (b)(1)
(b)(3) [] following the agreed upon scenario, reemphasized (b)(3) the comments made by [] and the Agency's desire to remove [] as soon as possible.

5. Both Mullen and Bennett mentioned their belief (b)(1)
(b)(3) that the Agency should pick up costs of any trips taken by [] to close out the office. Bennett said [] (b)(1)
(b)(3) would also have additional tax liabilities because capitalization of the office could not be written off (b)(3) during the same period when reimbursement is received, and that expenses and reimbursements therefore would not "wash." (b)(1)
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6. [] felt he could not object to Mr. Mullen's (b)(1)
sending the cable instructing [] to proceed to (b)(3)
[] Mullen could not postpone sending this cable
until [] could check because Mullen was going to
be "out in the country" and unavailable until Monday.

Attachment:
Copy of suggested
letter

(b)(1)
(b)(3)

Distribution:
Original - File #13265
1 - DC/CCS Chrono

(b)(1)
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SECRET

☐ UNCLASSIFIED☐ INTERNAL USE ONLY☐ CONFIDENTIAL☐ SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Chief, Central Cover Staff

EXTENSION

NO.

DATE

1 March 1973

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.
Deputy Director for
Plans 3-C-2016

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(b)(3)☐ UNCLASSIFIED☐ SECRET☐ CONFIDENTIAL☐ INTERNAL☐ SECRET

~~SECRET~~

1 March 1973

MEMORANDUM FOR: Deputy Director for Plans

SUBJECT : Current Time Magazine Investigation of
Robert R. Mullen & Company Connection
with the Watergate Incident

1. Mr. Robert R. Mullen, president of Robert R. Mullen & Company, telephoned CCS on the morning of 28 February to advise us that Sandy Smith, a reporter from Time Magazine, was in the Mullen office late on 27 February. Smith started off by saying that "a source in the Justice Department" had informed him that the company "is a front for CIA." Mr. Mullen denied the allegation stoutly, said the company clients are all legitimate and offered to let Smith inspect the company books. Mr. Mullen said that his intuition was that Smith was on a fishing expedition and really had nothing to substantiate his suspicions.

2. Smith had many questions concerning Howard Hunt, such as how he secured Mullen employment and his salary. Mullen told him the company paid him a salary initially and later on a consultant basis when Hunt began to work for The Committee to Re-elect The President. Smith wondered about Hunt's source of income as there is no record in above Committee's records of payments to Hunt. Mullen informed Smith that one source of Hunt's income was a government pension which, according to Hunt, was sizeable.

3. Mullen told Smith that Bob Bennett, partner of Mr. Mullen who was on a business trip to California, really knew most about Hunt's later period of Mullen employment. Mullen could not show Smith records concerning Hunt as they are in possession of the U. S. attorney.

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4. Bob Mullen again telephoned CCS at 1650 hours on 28 February 1973 as a follow up to his morning call, as reported above.

5. Sandy Smith, the Time reporter, was in again in the late afternoon and told Mr. Mullen that he had just seen, through an FBI contact, a paper allegedly personally delivered by a high official of CIA to Mr. Pat Gray, Acting Director of the FBI, during the height of the Watergate flap and investigation of Howard Hunt last summer.

6. It was evident that Smith at least knew of the existence of such a document, but Mr. Mullen could only guess that Smith had not seen it long enough to digest it, or it said so little that Smith is trying to develop more information.

7. Mr. Mullen continued to deny being associated with the Agency in any way except for the Cuban Freedom Committee, which connection had been admitted by Bob Bennett in June to the news media and U. S. attorney. Smith told Mullen, whom he has known for years because of some association in New York, that he is now in his "corner," but would be most unhappy if he ascertains that Mullen is not leveling with him. Mullen does not trust Smith and is certain Smith will write up whatever he develops. Presumably Time would publish the article.

8. Mullen would like to know what exactly we gave the FBI so that he can tell Smith what he already seemingly knows from our memorandum to the FBI, or at least know how to best cope with Smith. Mr. Mullen requested that our reply be given him during the evening of 28 February.

9. Attached is a copy of the 21 June 1972 Memorandum for the Acting Director of the FBI from the Office of Security concerning Robert R. Mullen Company. Possession of the contents of this memorandum by Mr. Smith could be very damaging to the Agency and the company. The last sentence of Para. 4 states "Mr. Hunt was aware of [] present cover placements under Robert R. Mullen and Company." Paragraph 5 relates that Mullen company employees have been witting of the company's ties with the Agency. Paragraph 7 states "In view of the extreme sensitivity of this information concerning the current use of Robert R. Mullen Company, it is requested that this report be tightly controlled and not be disseminated outside your Bureau."

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10. [redacted] C/CCS and the CCS case officer for the Mullen Company, [redacted] discussed the above with Mr. William E. Colby and Mr. Cord Meyer, Jr. at approximately 1800 hours on 28 February. It was agreed that Mr. Colby would recommend to the DCI, Mr. Schlesinger, that Messrs. Mullen and Bennett be allowed to read the 21 June 1972 memorandum to the FBI and that they be asked to continue to deny any allegation of association with the Agency, and state in effect that there was no relationship, and if there were, it, of course, would not be admitted. Mr. Schlesinger did endorse the proposed course of action.

(b)(1)

(b)(3)

11. Messrs. [redacted] of CCS met with Messrs. Ralph Hatry and Charles Beckman of NOCAD at 0840 hours on 1 March to inform them of developments which endanger [redacted] who is under cover of the company in [redacted]. It was decided that [redacted] would further discuss with Mr. Mullen and Mr. Bennett, who had returned to his office, the Smith visits, allow them to read the 21 June memorandum to the FBI and propose the immediate return of [redacted] to the United States and termination of the cover arrangement, the last with the company as the [redacted] cover was terminated in August 1972.

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(b)(3)

12. [redacted] and Mr. Mullen met near the Watergate and proceeded to Mr. Mullen's apartment in The Watergate through a rear entrance to The Watergate. Mr. Bennett joined them shortly and both read the memorandum. It developed that Mr. Bennett had been present during the second meeting with Mr. Smith. Messrs. Bennett and Mullen both were of the opinion that Smith had not seen the memorandum. They suggested that he had only heard of its existence or had seen an FBI report which summarized the memorandum and said only that the company had provided cover for the Agency. They felt that if he had seen the memorandum, he would not have re-visited them or would have accused them on the rather specific information contained in the memorandum. They said they would continue to deny any association with the Agency other than the already acknowledged relationship with the Cuban Freedom Committee.

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13. They related that they told Smith he was beating a dead horse and that the Washington Star, Washington Post and Los Angeles Times had already investigated and concluded that the Mullen Company was not involved in the Watergate affair or

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the allegation that the CIA had instigated the Watergate Affair. It was an intriguing theory which just died. Mr. Bennett said that he recently spent four hours in Los Angeles being interviewed by a Newsweek reporter and had convinced him that the Mullen Company was not involved with the Watergate Affair. Mr. Bennett rather proudly related that he is responsible for the article "Whispers about Colson" in the 5 March issue of Newsweek. Mr. Bennett does not believe the company will be bothered much more by the news media which is concluding that "the company is clean and has gotten a bum rap while the real culprits are getting scot free." Mr. Bennett said also that he has been feeding stories to Bob Woodward of the Washington Post with the understanding that there be no attribution to Bennett. Woodward is suitably grateful for the fine stories and by-lines which he gets and protects Bennett (and the Mullen Company). Typical is the article "Hunt Tried to Recruit Agent to Probe Senator Kennedy's Life" on page A16 of the Saturday, February 10, 1973, Washington Post. Mr. Bennett mentioned the 12 February 1973 meeting among himself, Mullen and [] when he stated his opinion that the Ervin Committee investigating the Watergate incident would not involve the company. He said that, if necessary, he could have his father, Senator Bennett of Utah, intercede with Senator Ervin. His conclusion then was that he could handle the Ervin Committee if the Agency can handle Howard Hunt. (b)(1) (b)(3)

14. Mr. Bennett reported that he is well acquainted with a Charlotte, N. C. attorney named McConnell to whom Senator Ervin offered the position of Chief Investigator of the Congressional Committee investigating the Watergate incident. Mr. McConnell, according to Bennett, declined the offer because he is a millionaire in his own right and doesn't need to put up with all the grief associated with such a position. Mr. Bennett said he asked McConnell to inform Senator Ervin that Mullen, Bennett and the company are 100% clean of any involvement in the Watergate. Bennett is certain that Senator Ervin has no desire for revelation of legitimate arrangements or to harm the Agency and would avoid questions concerning our overseas cover placements. Mr. McConnell subsequently told Bennett that he and Senator Ervin were the only passengers on a private plane recently and he discussed Bennett, et al, as requested by Bennett. Mr. McConnell believes Senator Ervin accepted his comments and will not attempt to further involve the Mullen Company people. Bennett believes he and his Agency affiliations

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(b)(3)

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(b)(3)

15. At this time the Agency proposal to bring back PCS prior to 10 March with the legend that [redacted] has become disenchanted with the company, does not like the change in ownership from Mullen to Bennett, and has several job proposals he wishes to pursue was then set forth. They said that on the contrary Bennett and [redacted] get along very well and [redacted] is deeply involved in a Bennett project described as the ART FUND which purchases and sells paintings and works of art. Bennett said that [redacted] and his wife persuaded him to permit them to invest personal funds in the project and that [redacted] is devoting considerable time to it. It would do Bennett and the company serious financial damage if [redacted] were not permitted to continue. It is especially important that he be at the Art Show in Denmark from 1 May to 15 June 1973. (b)(1)
(b)(3)

16. They proposed that they request [redacted] to return next week for consultation. The company has lost the Morman Church account to which [redacted] devoted some time, and new accounts are being acquired. [redacted] could be kept away from the D. C. area by immediately assigning him to prepare the SUMMA Summit Conference in late April in Las Vegas. Summa consists of the top executives of the Howard Hughes companies and is the successor in the Hughes empire to the Hughes Tool Company, which was sold. [redacted] with his extensive overseas experience, might also be a speaker. The Summa Conference will be a "dry run" for similar conferences which the Mullen Company is planning to do in representative West Coast cities to acquaint top West Coast executives with matters of interest such as pending legislation, overseas competition and the like. Bennett believes that if May 1 passes without any serious compromise, then nothing will happen. [redacted] could then handle the Art Show in Denmark from 1 May to 15 June and then to [redacted], or if we prefer to [redacted] where the company has business interests sufficient to support Mr. Mullen also recalled our proposal of two years ago for [redacted]. (b)(1)
(b)(3)

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(b)(3)

Mullen and Bennett took the position that while it was easy to ascribe the opening and closing of the [redacted] office to an experiment it would be difficult to explain closing in [redacted] where [redacted] presence as a vice president "has been trumpeted" among their clients, business prospects and in their literature. It would hurt badly and cost lots of money to end this one.

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(b)(1)

(b)(3)

17. [redacted] broached the possibility of the company continuing [redacted] as a legitimate employee if the Agency should be unable to locate an appropriate assignment for him. Mullen said that [redacted] does not possess qualifications such as the ability to write, which are requisite in the public relations field, but is an excellent businessman. [redacted] asked whether [redacted] might assist in servicing the Hughes account. Bennett responded that the Hughes account cannot stand further expenses and some new clients would need to be obtained to support the legitimate employment of [redacted]. The proposal was not rejected, but it was evident that the company prefers the current arrangement which is supported almost entirely by the Agency. Mullen and Bennett both like and admire [redacted] and might employ him if [redacted] employment with the Agency terminates. It was learned that [redacted] discussed with Mullen the possibility of [redacted] resigning from the Agency to accept legitimate Mullen Company employment if the company needs so warranted.

(b)(1)

(b)(3)

(b)(1)

(b)(3)

18. Concerning the employment of Howard Hunt in May 1970, Bennett said smugly that he wasn't responsible and Mullen wishes now that he had not hired him. He recalled that as head of the Marshall Plan some 25 years ago, he became acquainted with Hunt.

[redacted] Office of Personnel, approached Mullen concerning the qualifications needed by Hunt for public relations work and possible leads for employment for Hunt who was retiring from the Agency. Mullen stated that [redacted] "twisted my arm pretty hard" and he hired Hunt. Mullen believed that DCI, Helms, wished him to employ Hunt, especially after receipt of a splendid letter of recommendation of Hunt from Mr. Helms who later personally expressed his appreciation to Mr. Mullen for hiring Hunt. Mr. Mullen said he honestly believed, as a result of the pressure exerted by [redacted] that the Agency wished him to resolve problems attendant to Hunt's retirement by hiring Hunt.

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19. The meeting concluded with Bennett stating that if [redacted] cover employment with Mullen is terminated before the mid-June ending of the Art Show in Denmark, it will hurt Bennett badly and cost him lots of money. Both then commented that they were "not letting the Agency down. Don't you let us down."

(b)(1)

(b)(3)

[redacted]
Chief, Central Cover Staff

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☐ UNCLASSIFIED☐ INTERNAL
USE ONLY☐ CONFIDENTIAL☒ SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Meeting with Mr. Bill McAfee (State)

87 1110

FROM:

CHIEF, CCS
GE-5A, 1001

EXTENSION

9164

NO.

DATE

12 FEB

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Mr. Colby
DCI 7D-5607

2/13 2/13

✓

Bill,

Attached is my Memo for the Record of my discussion with Bill McAfee which I briefly reported to you on 6 February 1974.

I think you would be particularly interested in the following paragraphs:

10-15: THIRD COUNTRY EFFORT

16: DEPARTMENT OF STATE COMPLAINTS

19: RE-WRITE OF ROGER CHANNEL AIRGRAM 6693 which was meant to be the substitute for the Presidential letter that you had proposed.

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EWI

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(b)(3)

FORM
3-62

610

USE PREVIOUS
EDITIONS☒

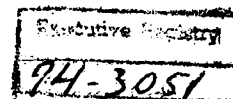
SECRET

☐

CONFIDENTIAL

☐INTERNAL
USE ONLY☐

UNCLASSIFIED



11 February 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Mr. William McAfee, DDC/INR
Department of State on 6 February 1974

ROBERT R. MULLEN COMPANY

1. On 6 February 1974 I visited Mr. William McAfee, DDC/INR, to brief him of our use of the Robert R. Mullen Company for [redacted] Initially this meeting was scheduled for the afternoon of 4 February 1974. Mr. McAfee had to cancel this date. I was not available the next day. By the time we met, CBS had broadcast our cover involvement with the Mullen Company via TV in the evening of 5 February and in an expanded version via radio on 6 February 1974.

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2. I told Mr. McAfee that we had one officer under Mullen cover in [redacted] from May 1971 to August 1972 and another officer from August 1969 to June 1973 in [redacted] I said these officers had been engaged in operational activities which were compatible with our understanding with the respective host intelligence services, but that the latter had not been informed of their presence. I added that toward the end of the previous week, we had become aware of the possibility of the public revelation of our cover relationship with the Mullen Company. We, therefore, instructed our Chiefs of Stations in [redacted] to brief their Ambassadors and with their concurrence, the chiefs of the liaison services. This was done on 2 February 1974, and on the same day, Mr. Shackley briefed Acting Assistant Secretary of State Hummel. Mr. Roosevelt then informed Assistant Secretary Hartman on 4 February. I said that as of the time of our meeting, we had no indications that the publicity would result in difficulties by the [redacted] but I stressed that the reaction of [redacted] was never predicted.

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E2 IMPDET [redacted]

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(b)(3)

W-5

~~SECRET/SENSITIVE~~

3. Mr. McAfee expressed his particular disappointment of not having been briefed on 2 February 1974. He said that he had been in the office as Duty Officer. This would have put him in a position to handle the inquiry by Deputy Assistant Secretary Wells Stabler on 5 February 1974. Mr. Stabler is the Deputy Assistant Secretary in the Bureau of European Affairs responsible for the Low Countries. I let this observation pass without comment. Mr. McAfee then asked me for the names of the 2 NOC officers. I replied that as long as their names had not been made public, I preferred not to do so.

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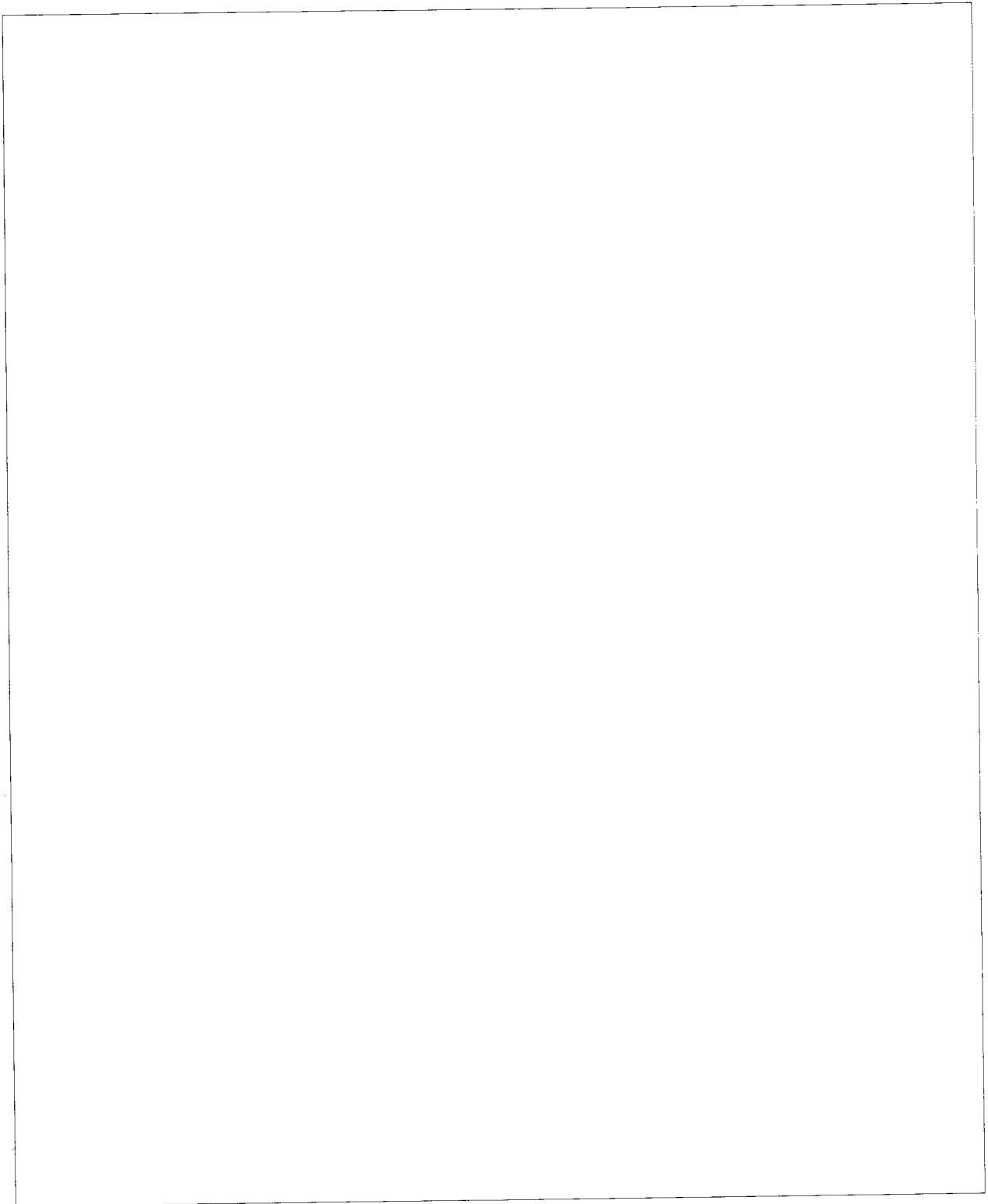
ASSISTANT SECRETARY KUBISCH LETTER TO AMBASSADORS IN THE
WH AREA

7. While arranging the meeting with Mr. McAfee the previous afternoon by telephone, he asked me whether I had seen the draft letter to ambassadors by Assistant Secretary Kubisch. I said I had, and that it presented problems. Mr. McAfee said that Mr. Kubisch was anxious to get it out. I suggested we discuss it during the meeting and informed [redacted] that we would do so.

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(b)(3)

8. Mr. McAfee asked Mr. James Gardner to join us. The latter opened the meeting by stressing the urgency to get an agreed draft. I said this could be achieved if Mr. Kubisch would accept that CIA will not participate in the CASP exercise, and that discussion of CIA personnel and activities would be on a bilateral basis between the Department and CIA. I added that we had no problem with doing this at the time of, but outside of the actual CASP review. Messrs. McAfee and Gardner agreed that CIA affairs should not be discussed in front of other participants in the CASP review.

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-4-

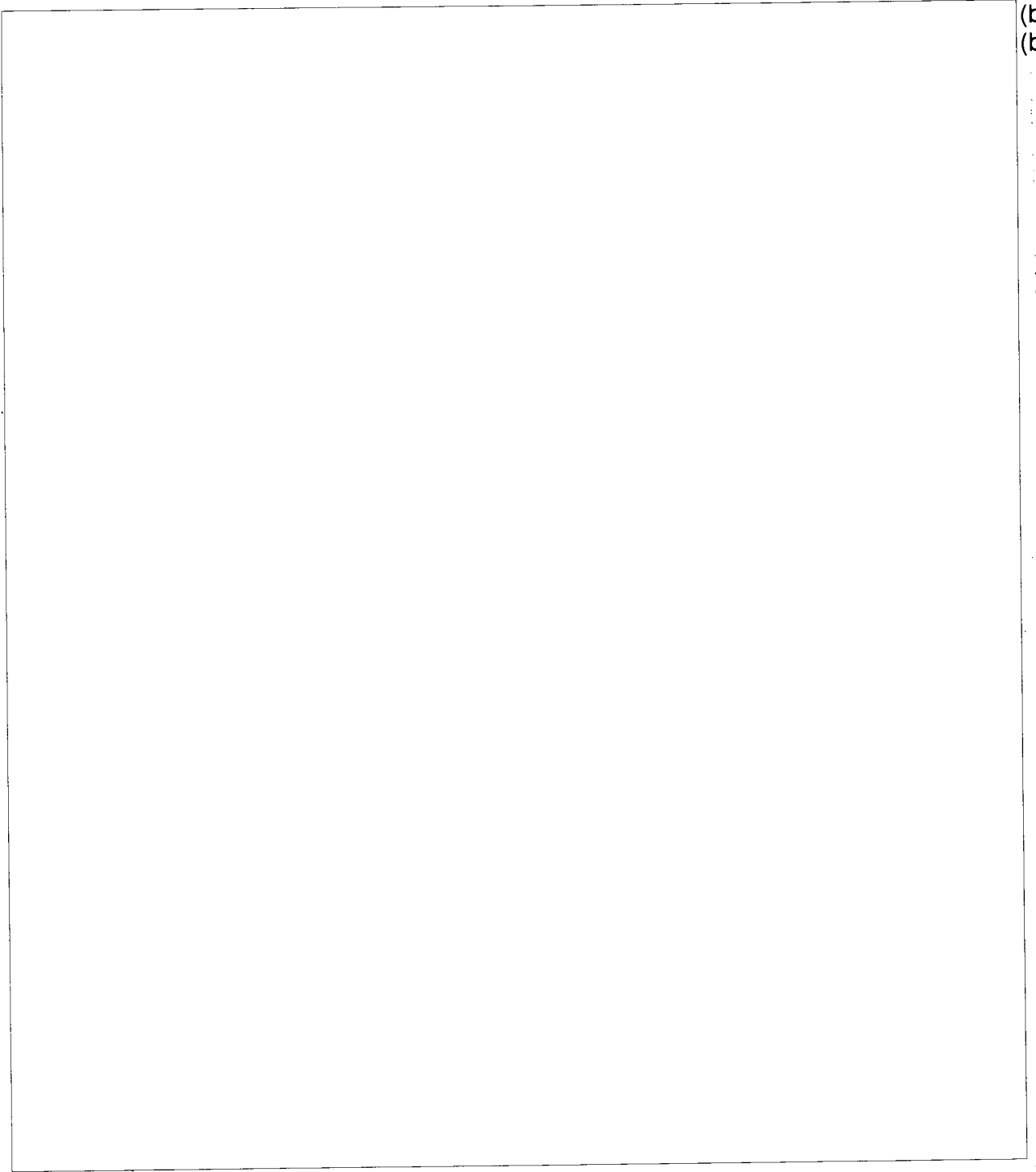
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-6-

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DEPARTMENT OF STATE COMPLAINTS

16. Mr. McAfee then took his turn of getting some complaints off his chest. It consisted of two items:

a. CIA's Use of the PFIAB

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TRANSMITTAL SLIP		When [] joined us to discuss the Kubisch draft	(b)(1) (b)(3)
TO:			(b)(1) (b)(3)
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REMARKS:			
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explains what is		ov	
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(b)(1)
(b)(3)RE-WRITE OF ROGER CHANNEL CIRCULAR AIRGRAM 6693

19. I asked about the status of the re-write of Roger Channel Circular Airgram 6693 of 17 December 1969. He said it was with the Secretary of State. Mr. McAfee had previously told me of a number of re-drafts, one of which finally went to Deputy Secretary Rush. He had it re-done again, but INR took exception to the elimination of an unidentified paragraph. The last version and INR's dissent were sent to Secretary Kissinger where Mr. McAfee believes it will rest for a good long while.

COMMENT

20. This frank and rather extensive exchange of views was carried on in a very friendly atmosphere as an exposition of the respective points of view and " heartburns " in the hope that it may assist in resolving some long-standing issues.

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(b)(3)

Orig: C/CCS

DCI -

DDO

ADDO

Chief, Cover & Commercial Staff

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(b)(3)

C/AF, C/NE, C/SB (Paras. 4-6; 10-15)

C/WH (Paras. 4-6; 7-9; 10-15)

C/EA, C/EUR (Paras. 1-6, 10-15)

-8-

(b)(1)
(b)(3)

Chrono

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SUBJECT (Optional)

FROM

EXTENSION

NO.

Chief, Central Cover Staff

DATE

1 March 1973

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

1.

Deputy Director for
Plans 3-C-2016

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4.

File

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15.

1 March 1973

MEMORANDUM FOR: Deputy Director for Plans

SUBJECT : Current Time Magazine Investigation of
Robert R. Mullen & Company Connection
with the Watergate Incident

1. Mr. Robert R. Mullen, president of Robert R. Mullen & Company, telephoned CCS on the morning of 28 February to advise us that Sandy Smith, a reporter from Time Magazine, was in the Mullen office late on 27 February. Smith started off by saying that "a source in the Justice Department" had informed him that the company "is a front for CIA." Mr. Mullen denied the allegation stoutly, said the company clients are all legitimate and offered to let Smith inspect the company books. Mr. Mullen said that his intuition was that Smith was on a fishing expedition and really had nothing to substantiate his suspicions.

2. Smith had many questions concerning Howard Hunt, such as how he secured Mullen employment and his salary. Mullen told him the company paid him a salary initially and later on a consultant basis when Hunt began to work for The Committee to Re-elect The President. Smith wondered about Hunt's source of income as there is no record in above Committee's records of payments to Hunt. Mullen informed Smith that one source of Hunt's income was a government pension which, according to Hunt, was sizeable.

3. Mullen told Smith that Bob Bennett, partner of Mr. Mullen who was on a business trip to California, really knew most about Hunt's later period of Mullen employment. Mullen could not show Smith records concerning Hunt as they are in possession of the U. S. attorney.

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E-2 IMPDET CL DVI

4. Bob Mullen again telephoned CCS at 1650 hours on 28 February 1973 as a follow up to his morning call, as reported above.

5. Sandy Smith, the Time reporter, was in again in the late afternoon and told Mr. Mullen that he had just seen, through an FBI contact, a paper allegedly personally delivered by a high official of CIA to Mr. Pat Gray, Acting Director of the FBI, during the height of the Watergate flap and investigation of Howard Hunt last summer.

6. It was evident that Smith at least knew of the existence of such a document, but Mr. Mullen could only guess that Smith had not seen it long enough to digest it, or it said so little that Smith is trying to develop more information.

7. Mr. Mullen continued to deny being associated with the Agency in any way except for the Cuban Freedom Committee, which connection had been admitted by Bob Bennett in June to the news media and U. S. attorney. Smith told Mullen, whom he has known for years because of some association in New York, that he is now in his "corner," but would be most unhappy if he ascertains that Mullen is not leveling with him. Mullen does not trust Smith and is certain Smith will write up whatever he develops. Presumably Time would publish the article.

8. Mullen would like to know what exactly we gave the FBI so that he can tell Smith what he already seemingly knows from our memorandum to the FBI, or at least know how to best cope with Smith. Mr. Mullen requested that our reply be given him during the evening of 28 February.

9. Attached is a copy of the 21 June 1972 Memorandum for the Acting Director of the FBI from the Office of Security concerning Robert R. Mullen Company. Possession of the contents of this memorandum by Mr. Smith could be very damaging to the Agency and the company. The last sentence of Para. 4 states "Mr. Hunt was aware of the _____ under Robert R. Mullen and Company." Paragraph 5 relates that Mullen company employees have been witting of the company's ties with the Agency. Paragraph 7 states "In view of the extreme sensitivity of this information concerning the current use of Robert R. Mullen Company, it is requested that this report be tightly controlled and not be disseminated outside your Bureau."

SECRET

10. Mr. C/CCS and the CCS case officer for the Mullen Company, Mr. [redacted] discussed the above with Mr. William E. Colby and Mr. [redacted] at approximately 1800 hours on 28 February. It was agreed that Mr. Colby would recommend to the DCI, Mr. Schlesinger, that Messrs. Mullen and Bennett be allowed to read the 21 June 1972 memorandum to the FBI and that they be asked to continue to deny any allegation of association with the Agency, and state in effect that there was no relationship, and if there were, it, of course, would not be admitted. Mr. Schlesinger did endorse the proposed course of action.

11. Messrs. [redacted] of CCS met with Messrs. [redacted] at 0840 hours on 1 March to inform them of developments which endanger [redacted] who is [redacted]. It was decided that Mr. [redacted] would further discuss with Mr. Mullen and Mr. Bennett, who had returned to his office, the Smith visits, allow them to read the 21 June memorandum to the FBI and propose the immediate return of [redacted] to the United States and termination of the [redacted] arrangement, the last with the company as the cover was terminated in August 1972.

12. Mr. [redacted] and Mr. Mullen met near the Watergate and proceeded to Mr. Mullen's apartment in The Watergate through a rear entrance to The Watergate. Mr. Bennett joined them shortly and both read the memorandum. It developed that Mr. Bennett had been present during the second meeting with Mr. Smith. Messrs. Bennett and Mullen both were of the opinion that Smith had not seen the memorandum. They suggested that he had only heard of its existence or had seen an FBI report which summarized the memorandum and said only that the company had provided cover for the Agency. They felt that if he had seen the memorandum, he would not have re-visited them or would have accused them on the rather specific information contained in the memorandum. They said they would continue to deny any association with the Agency other than the already acknowledged relationship with the Cuban Freedom Committee.

13. They related that they told Smith he was beating a dead horse and that the Washington Star, Washington Post and Los Angeles Times had already investigated and concluded that the Mullen Company was not involved in the Watergate affair or

SECRET

the allegation that the CIA had instigated the Watergate Affair. It was an intriguing theory which just died. Mr. Bennett said that he recently spent four hours in Los Angeles being interviewed by a Newsweek reporter and had convinced him that the Mullen Company was not involved with the Watergate Affair. Mr. Bennett rather proudly related that he is responsible for the article "Whispers about Colson" in the 5 March issue of Newsweek. Mr. Bennett does not believe the company will be bothered much more by the news media which is concluding that "the company is clean and has gotten a bum rap while the real culprits are getting scot free." Mr. Bennett said also that he has been feeding stories to Bob Woodward of the Washington Post with the understanding that there be no attribution to Bennett. Woodward is suitably grateful for the fine stories and by-lines which he gets and protects Bennett (and the Mullen Company). Typical is the article "Hunt Tried to Recruit Agent to Probe Senator Kennedy's Life" on page A16 of the Saturday, February 10, 1973, Washington Post. Mr. Bennett mentioned the 12 February 1973 meeting among himself, Mullen and , when he stated his opinion that the Ervin Committee investigating the Watergate incident would not involve the company. He said that, if necessary, he could have his father, Senator Bennett of Utah, intercede with Senator Ervin. His conclusion then was that he could handle the Ervin Committee if the Agency can handle Howard Hunt.

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SECRET

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SECRET

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SECRET

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21:47

MEMORANDUM FOR: The Acting Director
Federal Bureau of Investigation

ATTENTION : Mr. Arnold L. Parham

SUBJECT : Robert R. Mullen Company

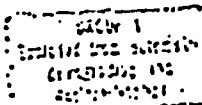
1. Reference is made to the verbal request of 20 June 1972 for any available information concerning the Robert R. Mullen Company and Interprogress.

2. The utilization of Robert R. Mullen and Company dates back to June 1963, and grew out of the recommendation of a long time cooperative CIA asset. Mr. Mullen has provided certain sensitive cover support overseas for Agency employees.

3. In addition, Mr. Mullen was instrumental in the formation of the Cuban Freedom Committee. Mr. Mullen managed to keep a low profile, and avoided public identification with it, except that his company prepared some brochures for the committee. Mr. Mullen was also utilized by the Agency because of his affiliation with another private firm.

4. As of 1 May 1970, Mr. Everette Howard Hunt, who had just retired from the Central Intelligence Agency, became a legitimate employee of Mr. Mullen. In July 1971, Mr. Hunt informed this Agency that he had been assigned to the President's White House Staff but continued to devote part of his time to the Robert R. Mullen Company. Mr. Hunt was aware of
under Robert R. Mullen and Company.

SECRET

*Handwritten signature and date: 21 June 72*

5. Since 1963, a total of _____ of the Mullen Company have been cleared and made willing of Agency ties, mainly in providing CIA cover overseas. It is to be noted that

6.

It is a pilot operation aimed at expanding

7. In view of the extreme sensitivity of this information concerning the current use of the Robert R. Mullen Company, it is requested that this report be tightly controlled and not be disseminated outside your Bureau. Please transmit any information on this matter to the attention of the Director of Security.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

Director of Security

~~SECRET~~
(When Filled In)

CONTACT REPORT		FILE NUMBER <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	DATE 11 July 1972 (b)(1) (b)(3)
ORGANIZATION (Name & full address) Robert R. Mullen and Company Washington, D. C.			
NAME OF CONTACT Robert F. Bennett	TITLE President	DATE OF CONTACT 10 July 1972 (b)(1) (b)(3)	
CONTACTED BY: <div style="border: 1px solid black; display: inline-block; width: 200px; height: 20px;"></div> CCS/CCB			
PURPOSE OF CONTACT Appearance of Robert R. Mullen & Company Executive, Robert F. Bennett, before the Grand Jury.			
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SUMMARY OF RESULTS:			
<p>1. Mr. Robert F. Bennett, president of Robert R. Mullen and Company, met with <div style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></div> of CCS/CCB at noon on 10 July 1972, at Mr. Bennett's request. Mr. Bennett said that he wished to bring the Agency up to date on developments concerning E. Howard Hunt and the "Watergate Five."</p> <p>2. Mr. Bennett related that prior to his appearance at the Grand Jury proceedings last week he had received a subpoena for the company records because of the employment of E. Howard Hunt by the company and Mr. Hunt's involvement in the "Watergate Five" affair. Mr. Bennett said that he brought with him to a private meeting before the hearing only records relating directly to Mr. Hunt and that he had informed the U. S. Attorney, Mr. Siebert (phonetic), that a van would be required to bring all records of the company relating to matters in which Mr. Hunt had become involved. Mr. Bennett advised the U. S. Attorney that he was willing to bring in all the records if desired or specific additional ones if requested. The U. S. Attorney was satisfied with the records brought in by Mr. Bennett.</p> <p>3. Mr. ^{SIEBERT}Siebert then asked Mr. Bennett whether newspaper reports that the company was involved with CIA were true. Mr. Bennett responded that he had not seen any such stories. At this point another member of the U. S. Attorney's staff suggested to Mr. Siebert that he had confused the newspaper items with information he had read in FBI reports. Mr. Siebert conceded that this was probably true.</p>			
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4. Mr. Bennett said that inasmuch as it was obvious from the FBI reports that the U. S. Attorney was aware that there is a current relationship between the company and CIA, he had therefore stated that the current Agency relationship has absolutely no connection with the "Watergate Five" incident. During the approximate one-hour meeting with the U. S. Attorney, they agreed upon the questions which were to be asked and Mr. Bennett's responses. The especially pertinent question related to the Mullen Company's activities with the Agency upon mutual agreement was phrased "Is your company working with the CIA in this Country?" Mr. Bennett said that any question involving overseas association would have required him to respond in the affirmative. By arrangement with Mr. Siebert, this question was not asked. The Grand Jury questioning of Mr. Bennett did reveal that the Mullen Company had done some work for Radio Free Cuba in the 60's, but this was not considered unusual in view of the political climate at the time. Mr. Bennett said that he had been commended by Mr. Siebert for his forthright responses and behavior during the hearing.

5. Concerning the appearance of Douglas Caddy before the Grand Jury, Mr. Bennett said that if Caddy had stopped his recitation when he said he had no knowledge of the association between CIA and the Mullen Company there would not have been repercussions caused by his unnecessary additional comment that he had intimations that the company did work for CIA. It then became necessary for Mr. Caddy to say he was unable to discuss the "intimations."

6. Mr. Bennett believes that there is now no danger to the two cover arrangements presently in being unless Mr. Hunt "spills his guts." He suggested that Hunt might take one or two courses. He could either take the Fifth Amendment and take his lumps, including possible imprisonment or because he is somewhat of an egotist, he could just go on and become a nationally and internationally famous person. Apart from his concern over the nature of Mr. Hunt's possible revelations, Mr. Bennett was thoroughly relaxed and prepared to continue the present cover arrangement.

7. Mr. Bennett plans to be at the Democratic Convention in Miami from Monday night through Friday, 14 July. He expects that Mr. Mullen will return from his trip to the Far East on the afternoon or evening of Tuesday, 11 July.

SECRET

Over the years because of personnel changes, 16 officials of the General Foods Corporation have been cleared. Needless to say, General Foods Corporation is not aware of our cover use of the Mullen Company nor is Mullen aware of our use of General Foods.

(b)(1)

(b)(3)

Chief
Central Cover Staff
Corporate Cover Branch

FULL TEXT COPY

DO NOT RELEASE

SECRET

SECRET

3. As of 1 May 1970, Mr. E. Howard Hunt, who had just retired from CIA, became a legitimate employee of Mr. Mullen. Mr. Hunt was an overt CIA employee from November 1949 - December 1950; November 1953 - January 1954; October 1956 - January 1957; and July 1960 - September 1966. In July 1971, Mr. Hunt informed Central Cover Staff that he had been assigned to the President's White House Staff but continued to devote part of his time to the Mullen Company. Mr. Hunt is aware of the two present cover placements under Robert R. Mullen and Company.

4. Another part-time employee, [redacted] Mullen's bookkeeper and accountant, is a retired CIA finance officer.

(b)(1)
(b)(3)

5. Aside from a brief use of correspondents in France and Tokyo in the past, the Mullen Company's overseas efforts have been largely in the service of providing CIA cover.

6. Central Cover Staff records reveal no compromise of CIA's continuing use of Mr. Mullen and his company. Investigation of Mr. Mullen's activities abroad would reveal the opening and closing of Mullen branch offices in Singapore, Stockholm, Mexico City and [redacted]

(b)(1)
(b)(3)

7. Central Cover Staff has no knowledge of Mullen's connections with the Association of National Advertisers or CIF. INTERPROGRES is a new subsidiary of the Mullen Company formed in 1971 as a result of contacts developed at the Zagreb Trade Fair in Yugoslavia. It is a pilot operation aimed at expanding east-west commercial relationships. [redacted]

(b)(1)
(b)(3)

8. Mullen has as one of its clients the General Foods Corporation headquartered in White Plains, New York. This firm has provided cover for the following: [redacted]

(b)(1)
(b)(3)

(b)(1)
(b)(3)

FULL TEXT COPY**DO NOT RELEASE**

~~SECRET~~

20 June 1972

MEMORANDUM FOR: Office of Security

ATTENTION : Fred Evans

SUBJECT : CIA Utilization of the Robert R. Mullen Company

1. The utilization of Robert R. Mullen and Company dates back to June 1963 and grew out of the recommendation of Mr. [redacted] a long time cooperative CIA asset. Mr. Mullen has provided cover for the following:

(b)(1)

(b)(3)

(b)(1)

(b)(3)

2. In addition, Mr. Mullen was instrumental in the formation of the Cuban Freedom Committee at the request of Mr. Richard Bissell. Mr. Mullen managed to keep a low profile in this committee and avoided public identification with it, except that his company prepared some brochures for the committee. Also he was the original owner of the Intercontinental Research Company, Inc., which was used by the CA Staff as cover for its Youth and Student Activities and became one of the first casualties of MHDOWEL. Mr. Mullen's name did not surface in that context.

~~SECRET~~
FULL TEXT COPY 155

DO NOT RELEASE

SECRET/SENSITIVE

c. Robert F. Bennett, executive vice-president and designated president, is the son of Senator Wallace Bennett of Utah. Bennett is witting of the current CIA employees covered by the company and is probably witting of those previously under cover.

(b)(1)

(b)(3)

(b)(1)

(b)(3)

d. Elizabeth Colclough, vice-president and secretary-treasurer, was witting of [] Agency employees []

(b)(1)

(b)(3)

(b)(1)

(b)(3)

[] since she was to be sent to [] to help on the business aspects of company work in 1965 which the Agency men were too busy to handle. Cover records do not show whether she actually went, but she was informed of the cover situation.

(b)(1)

(b)(3)

e. Amanda Abernathy, formerly Mullen's secretary and confidant, was cleared and witting. Mullen was able to get her a job in government, ostensibly to enable her to qualify for Civil Service retirement, but actually to ease her out of the company since she was on the verge of becoming

(b)(1)

(b)(3)

[] She was undoubtedly witting of []

(b)(1)

(b)(3)

f. Earl Mindermann was president in 1971, but now is being replaced by Bennett. He was never cleared and presumably was not witting.

(b)(1)

(b)(3)

(b)(1)

(b)(3)

6. In view of the flap potential inherent in the Agency's contact with Mullen, it is recommended that addressees delegate a senior representative to meet and devise a common approach to the Mullen problem.

Theodore G. Shackley

Theodore G. Shackley
Chief

Western Hemisphere Division

SECRET//NOFORN

(b)(1)
(b)(3)

4. Based on our research, we do not believe the Mullen Company could withstand even a cursory investigation by counterintelligence or press representatives. It is a domestic company which has no foreign subsidiaries other than the ones in [redacted] used by CIA for cover. Many of the Mullen officers also have connections with CIA, as follows:

(b)(1)
(b)(3)

a. Robert M. Mullen, Chairman, was introduced to [redacted]

(b)(1)
(b)(3)(b)(1)
(b)(3)

Mullen was instrumental in the formation of the Cuban Freedom Committee at the request of Richard Bissell, then DDP, but managed to keep his public identification with it at a minimal level. Mullen was the original owner of the Intercontinental Research Company, Inc., [redacted]

(b)(1)
(b)(3)

[redacted] Mullen's name was not surfaced at the time. Mullen had some connection with the Christian Form, [redacted]

b. Howard Hunt, vice-president, had known Mullen from World War II days when both worked at the Department of Commerce. O'Malley of our retirement staff went to Mullen to get an outline of qualifications for a public relations man, so he could recommend Hunt to General Foods; the result of the conversations was that Mullen hired his old friend Hunt himself, in April 1970.

(b)(1)
(b)(3)(b)(1)
(b)(3)

~~SECRET/SENSITIVE~~

3 July 1972

MEMORANDUM FOR: Chief, SB
Chief, FE
Chief, EUR
Chief, CCS
Chief, NOCAD

SUBJECT : Compromise of Cover Facility
in Current Use

1. We have recently received information that Philip F. Agee, a disaffected former staff officer who now is in contact with the Cuban DGI, has made reference to the Robert M. Mullen Company as providing cover for CIA and has identified [redacted] as an Agency employee under Mullen cover in [redacted]

(b)(1)
(b)(3)

2. Due to the background of this case, we have been proceeding on the assumption that names mentioned by Agee are known to the DGI and may appear in publications. Our research in the present instance has been given an added sense of urgency because of the involvement of the Robert M. Mullen Company in the "Watergate 5" case.

3. The Mullen company has given cover to [redacted] CIA officers, all of whom are still Agency employees. These are:

(b)(1)
(b)(3)

(b)(1)
(b)(3)

(b)(1)
(b)(3)

A (166)

SECRET

knowledge and assistance, CCS requests that you approve the issuance by the Office of Security of a clearance on Mr. Hunt to the Central Cover Staff.

(b)(1)
(b)(3)

Chief, Central Cover Staff

The recommendation contained in paragraph 4 is approved. *

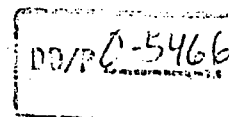
(b)(1)
(b)(3)

Thomas H. Karamessines
Deputy Director for Plans

14 Oct 70
Date

*Please keep the DDP posted.

NND 950324-400

~~SECRET~~

14 OCT 1970

MEMORANDUM FOR: Deputy Director for Plans

SUBJECT : E. Howard Hunt - Utilization by Central Cover Staff

1. This memorandum submits a recommendation for your approval; this recommendation is contained in paragraph 4.

2. Mr. E. Howard Hunt has been employed by Robert R. Mullen & Company since his 30 April 1970 retirement from the Agency and CCS understands that Mr. Hunt is going to succeed Mr. Mullen as principal officer of the company. Mr. Hunt contacted CCS on 7 July 1970 to report his belief that the company could provide cover as a result of its connections with the [redacted] In discussions of this matter with Mr. Mullen and Mr. Hunt, it developed that Mr. Mullen, who as a long time friend of Mr. Hunt, was cognizant of his Agency background, had informed Mr. Hunt of the existing cover arrangement without authorization from CCS. (b)(1) (b)(3)

3. CCS in anticipation of the need of briefing Mr. Hunt had requested an extension of his existing clearance on 5 June 1970. The Office of Security has advised CCS that its reinvestigation of Mr. Hunt has been completed, but it believes that you have an interest in Mr. Hunt and is unwilling to grant a clearance to CCS without being assured that you do not have an overriding interest or objection.

4. Inasmuch as Mr. Hunt is already witting of the current cover arrangement with the company which he reportedly will soon head and because the use of the company in other locations where it has cover potential would require his

NND 952324-399

~~CONFIDENTIAL~~

20 September 1975

MEMORANDUM FOR: Director of Personnel

SUBJECT: Robert R. Mullen Company

(b)(1)

(b)(3)

REFERENCE: C/[] Memo for the Record, 12 Sep 75;
"Meeting with []

(b)(1)

(b)(3)

Fred,

1. In addition to the already discussed need for correcting the statement in paragraph 2 of referent memorandum that "the company was a proprietary," I find that the third sentence in paragraph 7 of referent memorandum also does not agree with the facts if indeed [] was so informed. The fact that E. Howard Hunt and Robert Mullen served together with ECA in Paris was not the reason for O'Malley's going to Bob Mullen on behalf of Hunt since O'Malley did not know this fact. Mullen was contacted to provide information on what qualifications were needed for entering the PR business and leads to potential employers in this field. It was Mullen who then offered to take a look at Hunt himself as a possible employee, and the joint service in Paris was recalled during Hunt's and Mullen's first meeting.

(b)(1)

(b)(3)

2. I believe that a correction on this point must also be issued. It should not be based on my language above, but on the record developed in direct testimony in the course of Senator Baker's investigation of this matter in 1974.

(b)(1)

(b)(3)

[]
Chief, Cover & Commercial Staffcc: SA/DDO w/REF
Chief, Review Staff~~CONFIDENTIAL~~

E2 IMPDET

Approved for Release: 2020/08/14 C02541557

(b)(1)

(b)(3)

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED		<input checked="" type="checkbox"/> CONFIDENTIAL	SECRET
C/RS OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	<input type="text"/> 6D-0120		WE
2	Don Gregg <i>[Signature]</i>		
3	<input type="text"/>		
4			
5			
6			
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks: Robert R. Mullen Co [C/RAD/OP Memo, <input type="text"/>			
BY HAND			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
C/CCS 9164			20 Sep
UNCLASSIFIED		<input checked="" type="checkbox"/> CONFIDENTIAL	SECRET

FORM NO.
1-67

237

Use previous editions

* GPO : 1974 O - 535-857

(40)

(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)

20 September 1975

MEMORANDUM FOR: Director of Personnel

SUBJECT: Robert R. Mullen Company

REFERENCE: C/RAD/OP Memo for the Record, 12 Sep 75;
"Meeting with [redacted]"

REVIEW STAFF

75-3021

(b)(1)

(b)(3)

Fred,

1. In addition to the already discussed need for correcting the statement in paragraph 2 of referent memorandum that "the company was a proprietary," I find that the third sentence in paragraph 7 of referent memorandum also does not agree with the facts if indeed [redacted] was so informed. The fact that E. Howard

(b)(1)

(b)(3)

Hunt and Robert Mullen served together with ECA in Paris was not the reason for O'Malley's going to Bob Mullen on behalf of Hunt since O'Malley did not know this fact. Mullen was contacted to provide information on what qualifications were needed for entering the PR business and leads to potential employers in this field. It was Mullen who then offered to take a look at Hunt himself as a possible employee, and the joint service in Paris was recalled during Hunt's and Mullen's first meeting.

2. I believe that a correction on this point must also be issued. It should not be based on my language above, but on the record developed in direct testimony in the course of Senator Baker's investigation of this matter in 1974.

(b)(1)

(b)(3)

[redacted]
Chief, Cover & Commercial Staffcc: SA/DDO w/REF
Chief, Review Staff~~CONFIDENTIAL~~

E2 IMPDET [redacted]

Approved for Release: 2020/08/14 C02697769

(b)(1)

(b)(3)

At no time were we advised, or were we aware, of the nature of his work for the White House.

The above information, with the approval of the CIA, was made freely available to the FBI, the Watergate prosecutors and the Ervin Committee. It is to answer speculations, surmises and misinformation that we feel it necessary to state the above.

Robert R. Mullen, Chairman

Robert F. Bennett. president

The above statement accords with our understanding and information,

CIA, by _____

The above statement accords in ^{detail} general with the ~~larger~~ statements given our committee by officials of the Mullen Company and the CIA.

Ervin Comm. by H. Baker

DRAFT

In response to inquiries from the media Robert R. Mullen & Co. wishes to state that some years ago at the urgent request of the Central Intelligence Agency it assisted in the opening of an office in a certain country. In our judgement, it ^{still} would be contrary to the interests of the United States to divulge the name of this country, ^{particularly since} ~~but~~ the office was not concerned with matters in that country but was required solely for the transmission of vital information from certain persons aiding the U.S. The Mullen Company was able to help on very short notice and did so without charge to the Government, ~~only reimbursement of out of pocket costs.~~

When this work was concluded--with a success for which we were warmly thanked by appropriate officials, ^{several} ~~two~~ employees were redundant. They remained on our payroll until proper places could be quietly found for them. They were employed by the Mullen Company only in normal ~~and non-secretive~~ aspects of its business and in no way imposed on the hospitality of the countries in which they resided. In no instance did this represent more than 5% of the Mullen Company activity, and was entirely non-profit.) ^{in the} ~~In the~~ course they left the Mullen Company and all relationship ~~between the Mullen Company and the CIA~~ was terminated.

The employment of Mr. Hunt had no relationship whatsoever to the ^{employee} ~~employee~~ above. Although he had been an ~~official~~ of the CIA and was recommended ~~to~~ ^{us} by that agency, we were advised that he was fully retired. His work for our Company was as a writer and executive on a specific project of a public advertising and public relations nature. When he became a consultant at the White House he terminated his full time employment with us, but continued on a part time basis on our project. ~~which was a major project~~

From the desk of

ROBERT R. MULLEN

July 9, '74

Marty,

Per our phone conversation,
this is what I drafted.

• Call me.

bob...

(305) 361 2517

SECRET

to this comment and said merely that he hoped the matter could be discussed with the Agency. Mr. Mullen said he has no point of contact in the Agency other than the undersigned and desires that someone in the Agency contact his attorney.

4. It was ascertained that his attorney is James Heffernan of the firm of Sutherland, Asbill and Brennan, 1616 "K" Street, N. W., Washington, D. C. Mr. Mullen agreed that due to the lateness of the hour and because it was Friday evening, the matter could wait until early in the week of 15 July, and that he would be notified concerning both the above-described news media release and his request for compensation. (b)(1)

(b)(3)

5. The above was related to C/CCS at approximately 1830 hours on 12 July.

(b)(1)

6. Mr. Mullen resides in [redacted]

(b)(3)

[redacted] and his telephone number is Code [redacted]

(b)(1)

(b)(3)

(b)(1)

(b)(3)

(b)(1)

(b)(3)

DISTRIBUTION:

Original - [redacted]

(b)(1)

cc: 1 - DDO
1 - OGC
1 - IG
1 - OLC

(b)(3)

Attachment: Mr. Mullen's Draft of
Proposed Response to
News Media

SECRET

[REDACTED]
15 July 1974

(b)(1)
(b)(3)

MEMORANDUM FOR THE RECORD

SUBJECT: Proposed Response to News Media.
Request for Compensation from the Agency.

1. Upon arriving home from the office on Friday, 12 July 1974, the undersigned found a letter from Robert R. Mullen, chairman of the board of Robert R. Mullen Company, which contained a draft of a response which Robert R. Mullen is considering making to the news media concerning the role the Robert R. Mullen Company played in the Watergate incident and reciting the company's history of cooperation with the Agency.

2. Mr. Mullen had attached a note requesting that he be telephoned, which was done at approximately 1800 hours on 12 July. We briefly discussed the draft of the response prepared by Mr. Mullen, who was uncertain whether to give it to the newspapers, ask Senator Baker to put it into the Congressional Record, or forget the whole matter. I told Mr. Mullen that the draft, a copy of which is attached, would be discussed with Erich (Isenstead) on Monday, 15 July.

3. Mr. Mullen then stated that Robert F. Bennett, president of Robert R. Mullen Company, was about to place the company in bankruptcy and had asked Mr. Mullen to write off Mr. Bennett's debt to Mr. Mullen of \$150,000. Mr. Mullen believed that Mr. Bennett plans to go to California to accept employment with one of Howard Hughes' companies. Mr. Mullen then said he wished to get in touch with someone in the Agency for the purpose of requesting payment of \$50,000 to Mr. Bennett and \$100,000 to himself as he felt that the financial problems of the Mullen Company resulted from its cooperation with the Agency. The undersigned observed that the difficulties stemmed from the hiring of E. Howard Hunt by the Mullen Company which the undersigned had recommended against for reasons of cover and security. Mr. Mullen evaded a response

[REDACTED]
(b)(1)
(b)(3)

6674-153C
15 July 1974

MEMORANDUM FOR: Acting Deputy Director for Operations
SUBJECT: Robert R. Mullen Company

1. Attached hereto are:

a. MEMORANDUM FOR THE RECORD by [redacted] dated 15 July 1974, subject: "Proposed Response to News Media - Request for Compensation from the Agency," and (b)(1)
(b)(3)

b. a rough first draft of a public statement on the Mullen Company's cooperation with CIA prepared by Mr. Mullen. As indicated in the bottom of the statement, Mr. Mullen is asking for our and Senator Baker's clearances.

2. In regard to Mr. Mullen's public statement, I recommend that we thank Mr. Mullen for having made it available to us but ~~do not~~ provide an official or unofficial clearance or make any other suggestions in regard to his contents. *advise him that we can't*

3. In regard to Mr. Mullen's request for monetary indemnification, I propose to have [redacted] inform Mr. Mullen that his lawyer may contact Mr. John Warner, General Counsel, CIA. *Can't* (b)(1)
(b)(3)

4. I would appreciate early approval of these 2 recommendations so that [redacted] can communicate them to Mr. Mullen. (b)(1)
(b)(3)

[redacted]
Chief, Cover & Commercial Staff (b)(1)
(b)(3)

2 Atts: A/S

David H. Blee, Acting DDO

cc: OGC, OLC, IG, Mr. Bolten

DATE: 15 July 1974

SECRET

A-520

SECRET

6. Mr. Mullen advised the undersigned telephonically at 11:45 AM on 20 July 1973 that when he attempted to get Mr. Helms' letter of recommendation concerning Mr. Hunt, he had been reminded by his secretary that the entire Mullen & Company file concerning Mr. Hunt had been given to the U.S. Attorney's office by Mr. Robert Bennett of Mullen & Company during the investigation of the Watergate incident during the Summer and Fall of 1972. Mullen & Company had not kept any copies of material in its Howard Hunt file and, consequently, no copy of Mr. Helms' letter is available through Mullen & Company.

DC/CCS/CCB(b)(1)
(b)(3)

Orig
DDO
IG
OLC
1088 (Hunt)

(b)(1)
(b)(3)

-3-

SECRET

SECRET

3. Mr. Mullen then reported that he has postponed his vacation because of a new business opportunity involving the sale of freight cars worth \$135 million to the Yugoslav government. Mullen and Company's commission on this deal if it is consummated will be about \$400,000. Mr. Mullen said that he had yesterday received a telephone call from an official of the Pullman Company, which is to supply the freight cars, reporting that Mr. Stankovitz (phonetic) of the Yugoslav Embassy had contacted the Pullman Company. Mr. Stankovitz had told the Pullman Company official that he had heard rumors that Mullen and Company is involved with the CIA and that the whole deal would be off if this proved true. Mr. Mullen wondered whether there might be some leak within the Agency, but agreed with our comment that the Yugoslavs had probably read about Mullen's alleged association with the Agency in TIME Magazine because of Mullen and Company's employment of E. Howard Hunt.

4. [] at this point mentioned the letter written by Mr. Helms on behalf of Mr. Hunt to Mullen and Company. Mr. Mullen said that Mr. Hunt, in addition to giving Mr. Mullen the above letter of recommendation, had also exhibited a copy of a letter of recommendation by Mr. Helms to -- Mr. Mullen thought -- Allied Chemical Company.

(b)(1)
(b)(3)

5. Mr. Mullen readily agreed to make a copy of Mr. Helms' letter of recommendation available to the Agency. A letter was not written by Mr. Helms following Mr. Hunt's employment by Mullen and Company. Mr. Mullen recalled that at a function at the Kennedy Center he had seen Mr. Helms. They were not able to converse, but Mr. Helms had winked and given a hand signal to Mr. Mullen which Mr. Mullen interpreted as an approbation of Mullen and Company's hiring of Mr. Hunt. Mr. Mullen explained that his hiring of Mr. Hunt had been a rather natural one as Mr. Mullen knew both Howard and Dorothy Hunt in Paris from about 1948 to 1950 when Mr. Hunt and Mr. Mullen were employed by the Marshall Plan, and Dorothy Hunt was employed by Mr. Averell Harriman, then in Paris. When [] then with the Retirement Affairs Branch, requested Mr. Mullen's assistance in securing employment for Mr. Hunt, Mr. Mullen had arranged several interviews for Mr. Hunt. Mr. Mullen subsequently decided to have Mullen and Company hire Mr. Hunt because of his excellent writing abilities, and he had proved a splendid addition to the staff prior to the Watergate Incident.

(b)(1)
(b)(3)

-2-

SECRET

~~SECRET~~

20 July 1973

MEMORANDUM FOR: The Record

SUBJECT: Letter of Recommendation Written
by Mr. Helms to Robert R. Mullen
& Company for E. Howard Hunt(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)

1. Mr. Robert R. Mullen of Robert R. Mullen & Company, [redacted] Chief, CCS and the undersigned, case officer for the company, met in a park near 20th & "H" Streets, Northwest, Washington, D.C. on 20 July 1973, at 9:15 AM, to discuss several matters relating to the company's past cooperation with the Agency.

(b)(1)
(b)(3)(b)(1)
(b)(3)

2. [redacted] recalled our meeting with Mr. Mullen on 20 April 1973 when he informed Mr. Mullen that [redacted] would be given a meaningful Agency job in [redacted] upon his return from [redacted] in June 1973. [redacted] apologized for his inability to be present in a subsequent meeting on 4 June 1973 when the undersigned had to inform Mr. Mullen that the [redacted] assignment for [redacted] had fallen through and that [redacted] instead was to be terminated by the Agency.

(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)

[redacted] began to explain the reasons for the change in plans and Mr. Mullen interrupted to say that he completely understood why [redacted] had to be terminated by the Agency and did not in any way hold [redacted] responsible for the termination nor did he doubt [redacted] veracity or integrity. Mr. Mullen said that [redacted] had naturally been disturbed and unhappy because of the termination, but Mr. Mullen had reminded him that he had certain gains from his Agency assignment, and particularly mentioned that [redacted] might still be in [redacted] working at some unexciting job except for his Agency employment.

(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)(b)(1)
(b)(3)~~SECRET~~

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SECRET

Over the years because of personnel changes, [redacted] of the General Foods Corporation have been cleared. Needless to say, General Foods Corporation is not aware of our cover use of the Mullen Company nor is Mullen aware of our use of General Foods.

(b)(1)

(b)(3)

[redacted]

(b)(1)

(b)(3)

Chief
Central Cover Staff
Corporate Cover Branch

SECRET

SECRET

3. As of 1 May 1970, Mr. E. Howard Hunt, who had just retired from CIA, became a legitimate employee of Mr. Mullen. Mr. Hunt was an overt CIA employee from November 1949 - December 1950 - November 1953 - January 1954; October 1956 - January 1957; and July 1960 - September 1966. In July 1971, Mr. Hunt informed Central Cover Staff that he had been assigned to the President's White House Staff but continued to devote part of his time to the Mullen Company. Mr. Hunt is aware of [] present cover placements under Robert R. Mullen and Company. (b)(1) (b)(3)

4. Another part-time employee, [] Mullen's bookkeeper and accountant, is a retired CIA finance officer. (b)(1) (b)(3)

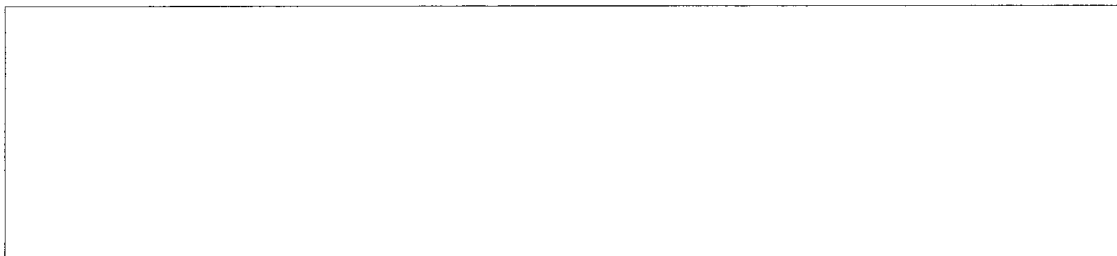
5. Aside from a brief use of correspondents in France and Tokyo in the past, the Mullen Company's overseas efforts have been largely in the service of providing CIA cover. (b)(1) (b)(3)

6. Central Cover Staff records reveal no compromise of CIA's continuing use of Mr. Mullen and his company. Investigation of Mr. Mullen's activities abroad would reveal the opening and closing of Mullen branch offices in [] (b)(1) (b)(3)

[] and the current employment of staff agents [] and [] The staff agent currently under cover [] has uninterrupted employment with the Mullen Company for almost eight years. Since 1963, [] of the Mullen Company have been cleared and made witting. (b)(1) (b)(3)

7. Central Cover Staff has no knowledge of Mullen's connections with the Association of National Advertisers or CIF. INTERPROGRES is a new subsidiary of the Mullen Company formed in 1971 as a result of contacts developed at the Zagreb Trade Fair in Yugoslavia. It is a pilot operation aimed at expanding east-west commercial relationships. Both present [] have tangential tasks of promoting the acceptance of this company as a Mullen subsidiary. (b)(1) (b)(3)

8. Mullen has as one of its clients the General Foods Corporation headquartered in White Plains, New York. This firm has provided cover for the following: (b)(1) (b)(3)



(b)(1)
(b)(3)

(b)(1)
(b)(3)

SECRET

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SECRET

20 June 1972

MEMORANDUM FOR: Office of Security

ATTENTION : Fred Evans

SUBJECT : CIA Utilization of the Robert R. Mullen Company

1. The utilization of Robert R. Mullen and Company dates back to June 1963 and grew out of the recommendation of Mr. [redacted] a long time cooperative CIA asset. Mr. Mullen has provided cover for the following:

(b)(1)
(b)(3)
(b)(1)
(b)(3)

2. In addition, Mr. Mullen was instrumental in the formation of the Cuban Freedom Committee at the request of Mr. Richard Bissell. Mr. Mullen managed to keep a low profile in this committee and avoided public identification with it, except that his company prepared some brochures for the committee. Also he was the original owner of the Intercontinental Research Company, Inc.. [redacted]

(b)(1)
(b)(3)

[redacted] for its [redacted] and became one of the first casualties of [redacted] Mr. Mullen's name did not surface in that context.

(b)(1)
(b)(3)
(b)(1)
(b)(3)

(b)(1)
(b)(3)

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Correspondence on R. R. Mullen Company to the FBI by Security

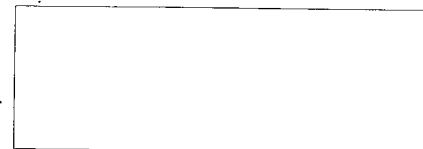
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Sam:

Things moved somewhat faster than I was aware of. Attached hereto is the memorandum that we provided the Office of Security yesterday afternoon (Tab A, C/CCB, 20 June 72). It outlines our relationship with the Robert R. Mullen Company and with General Foods Corporation. Based on our memorandum, the Office of Security prepared 3 separate memoranda on the Robert R. Mullen Company, General Foods Corporation and the Association of National Advertisers and CIF. (Tabs B, C and D)

I understand from the Office of Security that the Executive Director-Comptroller authorized the release of the 3 memoranda to the Acting Director of the FBI just this morning.

(b)(1)
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C/CCS

4 Atts: A/S

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